

V. D. CHOPRA

RENTIAGON SHADOW OVER INDIA

With an Introduction by
T. N. KAUL

The book provides an objective study of India's relation with America. It traces, in a historical perspective, the basis of this relationship which was laid down during the second world war itself. The author analyses how the rise of the British empire was directly connected with the colonisation of India, and concretely brings out evidences as to how US imperialism too wanted to add India to itself as an appendage. But far-sighted Indian leaders, Gandhiji and Jawaharlal Nehru saw through this game long before India became independent. After India wrested political power from British imperialism, India's contradiction with US imperialism began growing. As India consolidated its political independence and set about liquidating colonial vestiges, sharper became its contradiction with Washington. During Indira Gandhi's time, this feature assumed a new dimension for a variety of reasons, both internal and external.

The book also makes a penetrating analysis of continuous attempts of neocolonialist powers to dismember India, by extending unbridled support, both moral and material, to the revivalist and secessionist forces.

The author skilfully drives home the fact that Indo-US contradiction will continue to grow as long as India follows her independent path of economic development and self-reliance, pursues the policy of nonalignment and anti-imperialism, and does not join the chorus of a thermo-nuclear war hysteria.





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T.N. KAUL



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Pentagon Shadow Over India

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Dedicated to the memory of

DR. A. V. BALIGA

an eminent surgeon and a great patriot.

Contents

Preface	ix
Introduction	xi
1. India and World Imperialism	1
2. Penetration of US Capital	16
3. Specific Features of Mixed Economy	33
4. Neocolonial Manoeuvres	43
5. India in US Perception	61
6. The Nehru Era: India's Foreign Policy in the Making	75
7. China's Perfidy	97
8. America's China Card	107
9. The Indira Era: Towards Self-Reliance	118
10. Arms Race and the Third World	138
11. Indian Ocean and the Pentagon	147
12. Military Encirclement and the Role of Pakistan	163
13. Forces of Internal Subversion and their Global Allies	175
Conclusion	204

Preface

Many books have been written on Indo-American relations from different angles. However, in this book I have made an attempt to analyse the evolution of these ties in an historical perspective. The book traces these relations to the role which India played in the rise of British empire before it became an independent and sovereign state. It is in this frame that the relations between the most powerful capitalist country in the world, that is America and the biggest self-reliant and nonaligned country, that is India, have been critically examined.

In fact, I had decided to publish this book in 1984 itself because by book *India and the Socialist World* had raised certain theoretical and practical questions, such as, what is meant by the concept that "India is a part of the world capitalist system and yet it is not". Any objective student of social science and international relations would notice that during the last nearly four decades, two parallel developments have been taking place. On the one hand, India's relations with the socialist world, the Soviet Union in particular, while acquiring a new depth and meaning, reached a qualitatively new level during the Indira Gandhi period. On the other hand, its relations with America have begun deteriorating, though in a zigzag manner. This has been the running thread of the evolution of India's relations with the two great powers of the world. It is in this sense that I have used the concept that India is a part of the world capitalist system and yet it is not.

Though some scholars, both Marxist and non-Marxist, have done work on the nature of 'peripheral capitalism' in developing countries and also on what is meant by 'independent capitalist path of development', no integrated study has been made outside the socialist world about the nature of 'peripheral capi-

talism' and 'independent capitalist development' in India. Without making such a study, it is not possible to comprehend the evolution of India's relations since independence, with the Soviet Union on the one hand and America on the other. I have attempted to undertake this task, primarily to raise discussions.

That being the position, as a student of social science and international affairs, I have used certain concepts and tried to substantiate them with facts collected both from official and non-official sources. This is bound to trigger controversies. Which may mark the beginning of a process of learning about the socio-economic system of India and its global dimension.

I am grateful to Mr. T. N. Kaul for going through my manuscript and for writing an introduction to this book. He has raised certain pertinent questions and the chief among them: Is there a basic conflict of national interests between the US and India? Obviously, there is no such conflict between the Indian and the American people. But my contention is that there is essentially a conflict of interests between the Indian nation and American imperialism.

Mr. Kaul has also criticised me for using Marxist concepts and methodology in analysing the role of imperialism. I have used Marxist methodology of analysis because I believe that for any objective analysis of social reality, both at the national and international level, this is the only scientific and reliable instrument available to the social scientists. However, I am grateful to him for writing the introduction to the book.

In writing this book, I cannot forget the active help rendered to me by my wife, Krishan. She not only helped me collect and sort out diverse material but also made valuable suggestions.

New Delhi
March 25, 1985

V. D. CHOPRA

Introduction

I have read V. D. Chopra's manuscript with great interest. He has analysed US policy towards India, in particular, and the Gulf and the Indian Ocean area in general with a great deal of facts and figures which are convincing and important. The facts and figures cited by him speak for themselves and reveal certain trends in the evolution and development of US policy towards this region during the last four decades. These trends are clear and admitted by US scholars themselves and emphasised by the US administration from time to time.

These trends are mainly as follows:

- (i) The US administration was guided largely by British policy towards this region in the late forties and early fifties.
- (ii) However, as the cold war intensified, the US administration was guided—or misguided—by its obsession with 'international communism' and began to look for allies and client states where it could get bases against both China and the USSR.
- (iii) A country such as India which adopted an independent policy and refused to be drawn into the cold war remained nonaligned between the rival great power military blocs, was looked upon with disapproval. India would not become a military ally or a client state and its policy of nonalignment was dubbed 'immoral' by John Foster Dulles and others.
- (iv) The US formed military alliances like NATO and

tried to rope in the newly independent countries into regional military alliances such as CENTO and SEATO.

(v) However, the strong sentiment of nationalism and independence among most of the newly independent countries began to resist these attempts and both CENTO and SEATO had eventually to be dissolved. The newly independent countries of Asia, Africa and the Caribbean joined the nonaligned movement in large numbers.

(vi) Faced with this fiasco, the US adopted the policy of dangling economic aid to these countries, in order to influence their internal and external policies and wean them away from Soviet influence and friendship. The US succeeded in this attempt to some extent but the core nonaligned countries resisted economic and political pressures. They were able to do this mainly because of their own potential and determination but also partly because of offers of help and cooperation from the USSR and some other socialist countries.

(vii) This irritated the US policy makers and they tried, by giving both military and economic aid to such of the newly independent countries as would toe their line against the USSR and its friends.

(viii) However, this US policy of combined military and economic aid to specially selected countries (such as the Shah's Iran, Taiwan, Pakistan, South Korea, South Vietnam) also failed because of the growth of national independence movements throughout the third world. The US had to withdraw from Vietnam, tried but failed to save the Shah or upset the Khomeini regime in Iran, realised the danger of provoking a war with China on Taiwan and adopted an even more selective policy towards the third world.

(ix) The late Shah's mantle was put on the shoulders of the military rulers of Pakistan, the Arabs were ignored by large scale military aid to Israel and divided by giving military supplies to Egypt and Saudi Arabia.

(ix) Attempts were made to take advantage of the Sino-

Soviet rift and a rapprochement with Beijing began in the early seventies and is going on apace. Efforts to militarise Japan are also being made.

A Sino-Pak-US-Japan axis is thus developing.

(x) The main target of this new strategy is to tighten the encirclement of the USSR and weaken and destabilise such countries as India who refused to toe the US line. Afghanistan and Poland were made excuses by the US administration for not holding the conference on declaring the Indian Ocean as a zone of peace. The Diego Garcia base was strengthened as a nuclear base. The RDF and Central Command were set up to control and dominate the sea lanes to the oil rich Gulf states and other littoral states. Efforts to encircle India and the Indian Ocean area by setting up bases in Pakistan, Sri Lanka, Bangladesh, Singapore, Thailand and the Philippines are going in full swing.

(xi) Pakistan's efforts to develop nuclear capability were condemned and even the Symington Amendment has not been invoked. Pakistan is used as a conduit to pour arms and money for the Afghan insurgents.

(xii) The CIA with its widespread network has tried to help stir up internal upheavals and finance them.

Faced with this situation, what are the alternatives possible for India to safeguard her national independence and nonalignment?

Before answering this important question, it may be useful to analyse the reasons for this anti-Indian attitude of successive US administrations (except perhaps for a brief period during the Kennedy regime).

What are the US aims and goals in this region? Is there a basic conflict of national interests between the USA and India? Are the US regional and global policies in conflict with those of India? Does India rank high or low in the priority list of the US? It may be useful to examine these issues in greater depth, which I missed to find in the approach adopted by the author especially in the first chapter. With the data in hand, I believe, the author would write a follow-up book to cover these questions to

offer a sound theoretical direction. It may not be out of place to mention here that Marxism alone perhaps does not provide answers to all these questions, as Marxism itself is undergoing changes in various parts of the world as capitalism. The basic issue before the right thinking people all over the world—be it in the communist or capitalist countries, or in the nonaligned—is one of finding ways and means of safeguarding peace in the thermonuclear age of today. All the same, the book contains very useful facts and figures. Author's conclusions are provocative and stimulating.

This raises questions of security for many of the developing countries. Those who are not strong or conscious enough about the dangers to their freedom, as India is, have to depend on and seek the help of neighbouring countries to safeguard their integrity against outside interference and aggression. This is what is happening in and around Afghanistan and Kampuchea. In this context the Indo-Soviet Treaty of 1971 is relevant and has played an effective role in promoting peace and safeguarding security in this region.

The question naturally arises that if two countries such as India and the USSR, with different social, political and economic systems, could enter into such a treaty which recognises nonalignment as a policy of peace, why cannot the nonaligned countries in a region or sub-region enter into similar treaties *inter se*? Would that not deter outside powers from propping up one against the other, as is happening now, and encourage them to settle bilateral matters bilaterally, peacefully and without outside interference. This was the essence of the Simla Agreement of 1972 between India and Pakistan.

The Simla Agreement of 1972 between India and Pakistan was a step in this direction and could have paved the way for similar agreements between other countries in the region. However, the overthrow of the elected leaders and their replacement by a military dictatorship in Pakistan, encouraged and helped by the US military machine, obstructed the growth of the Simla spirit. Relations between India and Pakistan became even more difficult than before because of the supply of

large scale military weaponry of a second generation by the USA to Pakistan. This not only made the Pakistani military rulers more intransigent but also started an arms race between the two countries. Similarly US support to Pakistan on the Kashmir question has made Pakistan more obstinate and a peaceful solution more difficult. Despite these formidable obstacles, India, adhering steadfastly to its commitment of friendship and nonalignment, has offered a Treaty of Friendship and Cooperation to Pakistan, which its military leaders have not yet agreed to sign.

The crux of the matter is the ambition of US leaders to dominate the rest of the world. This is not possible or acceptable to most other countries. The US leaders therefore try to divide the rest of the world by supporting a few selected regimes both militarily and politically as well as economically. Such a policy is shortsighted, has not succeeded in the past and is unlikely to succeed in the future.

As long as a country is politically disunited, economically backward and militarily not strong enough to defend its own sovereignty and integrity, the US attempt to dominate such countries will continue. However, once a country like India, is able to be self-reliant and stand on its own feet, the US leaders are more likely than not to respect its independent internal and external policies.

Another important factor that will have an impact on US policy is its own public opinion, as happened in the case of the Vietnam war. The US media have an important role in moulding American public opinion, as they did in the struggle of Bangladesh for freedom. The US media may be under the control and influence of certain groups and vested interests, but it would be wrong to write them off or wish them away as of no consequence. We must, therefore, continue and strengthen our efforts to inform the American people through our own media as well as theirs of the commonality of interest between them and other peoples in maintaining peace, preventing war, spreading more evenly the advance in science and technology by its fair and equitable transfer in order that the widening gap between

the 'have-got' and 'have-not' nations may be bridged, and social and political tensions lessened.

The threat of a nuclear holocaust that will respect no ideological or geographical frontiers, must be liquidated through concrete steps towards comprehensive nuclear disarmament and banning the use of space for military purposes. As Jawaharlal Nehru said many years ago: "Peace is said to be indivisible; so is prosperity, and so also is disaster" in the thermo-nuclear age of today.

New Delhi
19 March 1985

T. N. KAUL





ONE

India and World Imperialism

India is the seventh largest country in the world and next to China has the highest population on our planet. Such a vast country and that too being densely populated and lying entirely in the northern hemisphere, obviously has a strategic position in the geopolity of the present day world. A casual look at India's geographical location on the world map immediately brings home the fact of her key position in the world.

Geopolitical location and its population apart, one thing that stands out clearly is that it is one of the few countries in the world which has been bestowed with immense natural resources. That perhaps is the reason why classical economists in the past used to describe "India as a rich country inhabited by the poor". That may also be the reason that long before most parts of the world had embarked upon the path of civilization, India could already boast of rich culture and progress, with millennia of human endeavour behind it.

Delving into not too distant history, it becomes apparent, that the British succeeded in dominating India by a succession of fortuitous circumstances and lucky breaks. With remarkably little effort, considering the glittering prize, they established a great empire and gathered enormous wealth which helped to make them the leading world power¹ (emphasis added). In fact it will not be incorrect to say that plunder and exploitation of India were the two single factors which led to the founding of the British empire, yet the significant fact remains that those parts of India which

1. Jawaharlal Nehru, *The Discovery of India*, London, 1965, p. 273.

have been longest under British rule are the poorest today. Indeed, some kind of chart might be drawn up to indicate the close connection between the length of the British rule and growing curve of poverty. What stares us in the face is the condition of the masses as a whole, under the British rule. And without doubt the poorest parts of India are Bengal, Bihar, Orissa and portions of the Madras presidency. As against this mass level and standards are highest in Punjab. Bengal had the first full experience of British rule in India. That rule began with outright plunder under a land revenue system which extracted the uttermost farthing not only from the living but also from the dead cultivators.² It would be truer to say that no investment has ever yielded the profit reaped from the Indian plunder because for nearly fifty years Great Britain stood without a competitor.³

The abolition of the trading monopoly of the East India Company in 1813, marked a new stage in the economic exploitation of India. The Company was a trading company, drawing most of its revenue from the profits derived from the sale in England of the exotic products of the East. It was also a London company and London was the traditional centre of British merchant capital. From this time can be dated the opening of the Indian market to English factory made goods, above all to Lancashire made cotton cloth. In little over a decade, the value of exports to India practically doubled and the export of cotton goods trifling in 1813, reached nearly £ 2,000,000 a year in the twenties of the 19th century.

After 1813, the main trading revenue of the East India Company came from its monopoly of the China tea trade which it controlled for another twenty years. As something like £ 4,000,000 worth of tea was sold by the Company each year at prices roughly double those paid in Canton, these profits were very considerable. The first opium war (1839-1841) was fought just at the time when Lancashire was ready to flood China with cheap cottons as it had already flooded India. Hence the war, ostensibly fought to force the Chinese to buy Indian opium against their will, had also the more general object of breaking down the barriers which prevented the free export of British goods to China.

2. *Ibid*, p. 295.

3. *Ibid*, p. 297.

After the war, Hong Kong was annexed and five 'treaty ports' were thrown open to British traders. A second opium war (1856-1858) opened the way for the penetration of the Yangtse basin.

Lancashire goods destroyed the handloom industry of India with unseemly rapidity. Dr. Bowring, the prominent free trade advocate, in a speech made in Parliament, in 1835, declared:

"Some years ago the East India Company annually received of the produce of the looms of India to the amount of from six million to eight million pieces of cloth. The demand gradually fell off to somewhat more than one million pieces and has now nearly ceased altogether.... Terrible are the accounts of the wretchedness of the poor Indian weavers, reduced to absolute starvation. And what was the sole cause? The presence of the cheaper English manufacture.... Numbers of them died of hunger; the remainder were, for the most part, transferred to other occupations, principally agricultural.... The Dacca muslins, celebrated over the whole world for their beauty and fineness, are almost annihilated from the same cause."

The population of Dacca, the main centre of the Indian textile industry, decreased between 1815 and 1837 from 1,50,000 to a mere 20,000.

Less spectacular but more important than the depopulation of Dacca was the gradual destruction of the self-supporting communities which formed the ground pattern of Indian social life. Marx, speaking of both India and China, wrote:

"The broad basis of the mode of production is here formed by the unity of small agriculture and domestic industry, to which is added in India the form of communes resting upon the common ownership of the land.... The English commerce exerts a revolutionary influence on these organisations and tears them apart only to the extent that it destroys by the lower price of its goods the spinning and weaving industries, which are an integral part of this unity."

By the destruction of the village handicraft industry, the peasants were thrust back on to exclusive dependence on agriculture. India, like Ireland, became a purely agricultural colony, supplying Britain with food and raw materials. The destruction of hand industry meant not only that Lancashire goods secured a monopoly

market but also that Indian cotton and jute began to be exported to England instead of being used at home. This process was assisted by the heavy taxation which was part of the price that had to be paid for the benefits of British rule. Faced with a demand for payments in cash, the peasants were forced to sell their surplus produce at prices which had no relation to the cost of its production. In many parts of India the tax quickly developed into a species of landlords.

Throughout the whole of the nineteenth century and up to the present time, the result has been a progressive impoverishment of the people, a continuous decline in the average size of the holdings consequent upon larger segments of population becoming dependent upon agriculture and a growing indebtedness of the peasantry to the village moneylenders. An official investigation showed that in a village in Poona, the average holding was 40 acres in 1771, 11.2 acres in 1818, and only 7 acres in 1915. In Bengal and elsewhere the holdings are much smaller, averaging about 2.2 acres. Recent figures—the increase between 1921 and 1931 of landless labourers from 291 to 407 per thousand of the population and of the estimated agricultural indebtedness between the same period from £ 4,00,000,000 to £ 6,75,000,000—show unmistakably that this impoverishment not only continues but is developing at an increasing rate.

The abolition of the East India Company's trading monopoly in 1813 coincided with a period of conquest and aggression. Early in the century the Marquis of Wellesley fought a series of wars against the Marathas of central India. Under Lord Hastings, Governor General from 1813 to 1823, large areas of central India were brought under direct British rule and the native princes who escaped conquest were compelled to acknowledge British supremacy. From this time the effective control of Britain over the whole of the country east of the Indus was a recognised fact. In 1824, the first excursions were made in Burma, outside the boundary of India proper, and its coastal area occupied. The seizure of Singapore in the same year gave Britain one of the main strategical keys to the Indian Ocean and the Far East.⁴

British rule in India was based, politically, on the highly trained

4. A.L. Morton, *A People's History of England*, London, 1945, pp. 447-450.

and disciplined army of sepoys and on the support of the native princes and landowners, who, in their turn, owed their privileges to the British authority. While destroying the village community, the social base of the life of the masses, the British rule preserved a kind of petrifying feudalism centring round the corrupt and organised oppression of princes and nobles. The masses were thus subjected to a double and, in a sense, parallel exploitation. So long as the two sets of exploiters worked in harmony, there was no danger of any effective opposition, much less revolt, at a time when India was still entirely agricultural and composed of isolated fragments.

But in the middle of the nineteenth century the aggressive policy of the British brought them into conflict with the native feudal upper class. The newly devised 'doctrine of lapse', by which native states whose rulers died without heirs passed under British rule, cutting right across the oriental custom by which such native princes used to adopt an heir. Between 1848 and 1856, a number of native states, including Satara, Jhansi, Nagpur and Oudh were annexed. It seemed only a matter of time before the whole country would be brought under direct British rule.

At the same time Indian culture and religions were being steadily undermined. This was especially resented by the high caste sepoys who formed the bulk of the army. It was the culminating point of this process when the famous incident of the catridges greased with animal fat precipitated the Mutiny, (the First War of Independence). The building of railways, though only 273 miles of track had been laid by 1857, and of the telegraph, were also regarded as signs of the increasing concentration of power in European hands.⁵

The era of the East India Company can be conventionally measured from its first Charter in 1600 to its final merging in the Crown in 1858. In fact its main period of domination of India was the second half of the eighteenth century. Three main periods stand out in this history of imperialist rule in India. The first is the period of Merchant Capital, represented by the East India Company, and extending in the general character of its system to the end of the eighteenth century. The second is the period of Industrial

5. *Ibid*, pp. 450-451.

Capital which established a new basis of exploitation of India in the nineteenth century. The third is the modern period of Finance Capital, developing its distinctive system of exploitation of India on the remains of the old and growing up from its first beginnings in the closing years of the nineteenth century to its fuller development till India became free.

Although the early trading depots were established in the seventeenth century (Surat in 1612; Fort St. George, Madras, in 1639; Bombay leased to the Company from 1669; and Fort Williams, Calcutta, in 1696), the new East India Company which subsequently conquered India received its first Charter only in 1698 and did not reach its final consolidated form till 1708. The East India Company which conquered India was thus a typical monopolist creation of the oligarchy which tightened its grip on England with the Whig Revolution.

On the basis of the plunder of India in the second half of the eighteenth century modern England was built up.

In the middle of the eighteenth century, England was still mainly agricultural. In 1750, the Northern counties still contained less than one-third of the population; Gloucestershire was more thickly populated than Lancashire (A. Toynbee, *The Industrial Revolution*, pp. 9-10). The woollen industry was still the main industry; in 1770 woollen export, according to Baine's *History of the Cotton Manufacture* (p. 112), comprised between one-third and one-fourth of all exports. "The machines used in the cotton manufacture", writes Baines, "were, up to the year 1760, nearly as simple as those of India" (p. 115).

Socially, in respect of the division of classes, the creation of a proletariat and the establishment of secure bourgeois rule, the conditions were ripe for the advance to industrial capitalism. The commercial basis had been laid. But the advance to the industrial capitalist stage required an initial accumulation of capital on a much larger scale than was yet available in England of the mid eighteenth century. Then in 1757, came the battle of Plassey, and with the victory began to flow in an evergrowing stream the wealth of India into England.

Immediately after, a series of great inventions began initiating the Industrial Revolution. In 1764 came the spinning jenny of Hargreaves; in 1765 appeared Watt's steam engine, patented in

1769; in 1769 came the water-frame of Arkwright, followed by his patents in 1775 for carding, drawing and spinning machines; in 1779 the mule of Crompton; in 1785 the powerloom of Cartwright; and in 1788 the steam engine was successfully applied to blast furnaces.

That this series of inventions should come in a throng in this period indicates that the social conditions were ripe for their exploitation. Previous inventions had not been used to profitable ventures: "In 1733, Kay patented his fly-shuttle, and in 1738 Wyatt patented his roller-spinning machine worked by water power; but neither of these inventions seems to have come into use" (H.H. Perris, *The Industrial History of Modern England*, p. 16).

The leading authority on British industrial history, Dr. Cunningham, pointed out in his *Growth of English Industry and Commerce in Modern Times* that the development of the age of inventions depended, not simply on "some special and unaccountable burst of inventive genius," but on the accumulation of a sufficient body of capital as the indispensable condition to make possible the large scale outlay for their utilisation.⁶

In this sense the East India Company and the monopolies of this Company led to primitive accumulation on giant scale, often without the advance of a shilling.⁷ It will not be therefore, incorrect to say that exploitation of India by the East India Company became a key factor in the accumulation of primitive capital and this in turn played a most significant role in the Industrial Revolution in England. But once the Industrial Revolution had been achieved in England with the aid of exploitation of India, the new task was to find adequate outlets for the flood of manufactured goods. This required a complete change both in the economic relations with India and the methods of the colonial system.

The new rising industrial capitalist class in England had to evolve their policy for India in clear cut terms: to make India the agricultural colony of British capitalism for supplying raw materials and buying manufactured goods. This policy was explicitly set out by the president of the Manchester Chamber of Commerce,

6. R. Palme Dutt, *India Today*, Bombay, 1947, p. 94.

7. Edward Aveling, *The Student's Marx*, London, 1931, p. 169.

Thomas Bazley in his evidence to 1840 parliamentary enquiry:

"In India there is an immense extent of territory, and the population of it would consume British manufactures to a most enormous extent. The whole question with respect to our Indian trade is whether they can pay us, by the products of their soil, for what we are prepared to send out as manufactures."⁸

The importance of India to England in the first half of the eighteenth century lay in the fact that India supplied essential raw materials—hides, oils, dyes, jute and cotton and accumulation of capital, the two prerequisites for the Industrial Revolution. In the new stage, India had to be transformed into an agrarian appendage of England so that it could consume British manufactured goods.

The following table makes this transformation abundantly clear:

Percentage of Exports (Value) from India⁹

	To the United Kingdom	To other parts of British Empire	To Foreign Countries
1870	54	20	26
1890	33	23	44
1910	26	17	57

Percentage of Imports (Value) in India

	From the United Kingdom	From other parts of British Empire	From Foreign Countries
1870	85	6	9
1890	70	15	15
1919	61	8	31

Between 1849 and 1914 exports of raw cotton from India rose from 1.7 million pound sterling to 22 million pound sterling.

The conclusion is inescapable; the colonial system of capital-

8. As quoted by R. Palme Dutt in *India Today*, Bombay, 1947, p. 105.

9. Sir Reginald Coupland, *India: A Re-Statement*, 1945, p. 55.

ism before the Industrial Revolution sought to keep a hold on the colonies treating them as a direct source of wealth for the home country, through importation of precious metals and colonial products, while sending the minimum goods in exchange. This old 'colonial system' provided the main basis for the primary accumulation of capital ushering in the Industrial Revolution. The Industrial Revolution of the second half of the eighteenth century and the early nineteenth century was thus made possible and stimulated on the basis of the colonial exploitation especially the exploitation of India. If Britain became the 'workshop of the world' and products of British machine industry dominated the markets of every country, exploitation of India became the crucial factor in this.

This, however, is only one dimension of the rise of British imperialism on the basis of plunder and exploitation of the Indian people and their economy. British imperialism used the Indian army on a large scale in other countries for its colonial ambitions. Between 1858 and 1914, Indian troops served in the second Afghan war (1878-80) and the third Burman war (1885), and on a lower scale in Perak (1875), in Egypt (1882), in Sudan (1885 and 1896), in South Africa (1899-1902) and in China (1900-1901).¹⁰ In all these cases, the defence of India was not even indirectly related. Thus the Indian lives and Indian tax payers money were sacrificed in the service of British imperialism. This is how the colonial exploitation of India turned out to be a major factor for the Industrial Revolution of England and the rise of British imperialism as the biggest imperial power in the world.

The British nineteenth century industrial monopoly and domination of the world market began to weaken in the fourth quarter of the nineteenth century. This decline with emergence of new European and American rivals was more marked in other parts of the world than in India. In our country, the decline was halting and far slower because of the complete political domination of the British imperialism.

Jawaharlal Nehru had perhaps this aspect of the British domination over India in mind when at the International Congress against Colonial Oppression and Imperialism held at Brussels in

10. *Ibid*, p. 59.

February 1927, he emphasised the common element in the struggle against imperialism in various parts of the world. The fabric of imperialism looked imposing and appeared to hold together, but any dent in it would automatically lead to its destruction. Jawaharlal Nehru pointed out that India was the prime example of imperialism. She had been continuously exploited and terrorised by the British, and her workers and peasants had been systematically pauperised and brutalised. "It does not require statistics, facts and figures to convince you that India in the course of the last few generations had terribly deteriorated, and is in such a bad way that if something drastically is not done to stop this process *India may cease to exist as a nation*" (emphasis added). He went on to underline the fact that it was the policy of the British to create differences among Indians and where they already existed to increase them, to maintain the feudal princes in power, to support the rich landowners and to promote an unholy alliance of British and Indian capitalists.¹¹

Significantly at this Congress, Jawaharlal Nehru met a young Vietnamese, Nguyen-Ai Quoc. In his thin face with its sharply outlined cheekbones, shone bright, fearless eyes—eyes that knew the truth about life. He modestly avoided discussions and only the respectful way in which he was greeted by the leaders of the league against imperialism that one could make out that he was one of those leaders of the Asian national liberation movements who had to keep a safe distance from the numerous agents of the imperialists' intelligence services. Jawaharlal Nehru learnt later that he was in reality Ho Chi Minh. Twenty years later in 1954, these two tallest leaders of Asia met again in Hanoi, this time as leaders of the two independent nations.

Nevertheless, between 1913 and 1931-32, the United Kingdom's share of Indian imports fell from 64 per cent to 35 per cent. Subsequently, the Ottawa preferential measures, imposed despite protests by Indian leaders, increased the proportion to 40.6 per cent by 1934-35, but it sank again to 38.8 per cent by 1935-36. On the other hand, Japan's proportion rose from 2.6 per cent in 1913-14 to 16.3 per cent in 1935-36, Germany's from 6.9 to 9.2 per

11. S. Gopal, *Jawaharlal Nehru: A Biography*, Volume I, Third Impression, 1984, p. 101.

cent in the same period, and that of the United States from 2.6 to 6.7 per cent.

During the Second World War, the trade of India underwent a big change because the share of the USA, Canada and Australia mounted considerably. The share of the United Kingdom, for instance, in 1942-43 was merely 26.6 per cent, but that of the USA increased to 17.3 per cent.¹²

What is important to note is that the decline of British capitalism had already set in as compared to its principal rivals — Germany and the USA. This becomes clear from the following two tables relating to two key industries — coal and iron production:

Coal Production

in million tons

	1860	1880	1900	1913
Britain	83.3	149.5	228.8	292.0
Germany	17.0	60.0	149.8	277.3
U.S.A	15.4	71.6	244.6	517.0

Iron and Steel Production

in million tons

	1870-4 average	1900-4 average	1913
Britain	6.9	13.5	17.9
Germany	2.1	16.2	27.9
U.S.A	2.3	29.8	30.0

One obvious reason for this seems to be that these three countries took different paths to imperialism though the final effect was similar in all cases. While Britain began with territorial expansion and export of capital and only passed to the monopoly stage late and unevenly, the USA with a vast and fairly uniform hinterland in which to expand, began with the establishment of internal monopoly (the Standard Oil Trust was organised as early as 1882) and began to surface as a colonial power and exporter of capital only after the Spanish-American war of 1898. On the other hand, Germany, with neither colonies nor hinterland, launched

12. R. Palme Dutt, *India Today*, Bombay, 1947, p. 119.

an attack on the world market on the basis of a deliberate regimentation of home industry and developed monopoly production (to a considerable extent) in the form of state capitalism. Again, while in Britain, depending traditionally upon her export trade and needing to import quantities of food and raw materials, monopoly production developed out of free trade and competition leading to the gradual elimination of small and inefficient enterprises, in Germany and the USA, it developed behind an elaborate screen of protective tariffs.

These different routes to imperialism have a direct relevance to the pattern of imperialist power relations in general and to that of India in particular. The socio-economic structures which India has built during the Jawaharlal Nehru era and the Indira Gandhi times cannot be seen in isolation from this phenomenon, and above all not ignoring the existence and the consolidation of the world socialist system headed by the Soviet Union—the first socialist country in the world. In the triangle of the relations between India and the socialist world, India and the world capitalism and world capitalism and socialist world, this is the most relevant factor. Without taking this into account, the specific characteristics of capitalism in India cannot be understood, nor can the running thread of India's contradiction with American imperialism, both during the Jawaharlal Nehru and the Indira Gandhi era, be objectively assessed.

The Second World War which itself was a product of the general crisis of the world capitalist system had brought the two capitalist coalitions into an armed conflict. Each one of them had calculated that the other coalition would be defeated and thus the victor capitalist coalition would gain world supremacy. All these dreams, however, turned out to be mere castles in the air. After the Second World War, a new era of world history had opened up. From Prague to Beijing, a new world had come into being which had freed itself from the orbit of imperialism. India, which had played a major role in the Industrial Revolution of England and later enabled the British empire to expand all over the world, became a sovereign and independent state. These developments naturally spelt doom to the old imperialist order in Britain and western Europe.

The basic developments were the disintegration of the single

world market after the Second World War, the emergence of the socialist world covering one third of humanity and political independence of India. All these factors combined together restricted the sphere of exploitation of the world resources by the major capitalist countries, notably USA, Britain and France.

The expansion of war production during the Second World War created favourable conditions for the expansion of the Indian industry. As a result, compared to the pre-war period, there had been an almost 25 per cent increase in the total industrial production of India by 1943. Though this industrial production was mainly confined to those industries which received direct military orders, such as metallurgy, cotton and chemical industries, it also led to expansion of cottage and small scale industries.

In this process, the Indian bourgeoisie was able to accumulate sizable capital. Traders and moneylenders also succeeded in accumulating considerable capital in the war period, by exploiting the peasants, the small scale producers, artisans and craftsmen.

Thus it was that the Indian bourgeoisie after consolidating its own financial resources began to penetrate into those industries which so far had been dominated by British capital, such as tea plantation and jute industry. Influential houses in the Indian business like Tata, Birla and Dalmia-Jain, began to set up more and more mixed companies in the leading branches of industry. Though as yet the new emerging Indian big business was still a junior partner in the British monopolist companies, the new trend was unmistakable, a trend which became a pacesetter after independence. Thus, with the weakening of the position of the British capital, the Indian traders and industrialists became relatively stronger.

Along with this, major changes had taken place in financial relations between India and Great Britain during the war itself. In 1939, a special Anglo-Indian agreement, for instance, had been drawn up under which Indian military supplies were given on credit and were credited to India in special accounts in Bank of England. At the same time, the Indian public 'debt' to Britain that had started accumulating during the nineteenth century was written off. This debt was mainly the result of the colonial wars which the British government had undertaken and was now list-

ed as expenditure incurred by India.

Another important development taking place around the outbreak of war in 1939, was the fact of the Indian National Congress being strongly entrenched among the people. It was running the administration in seven provinces and its hold over the people was unquestionable. The imperialists knew that they could declare India to be a belligerent country without bothering to consult the people and their parties but they could not thrust huge war burdens upon the country without a political settlement and understanding. They were bound to be resisted by the Congress and the people. At the same time, dead set against any political settlement by handing over of power to the people, the imperialists nevertheless found a way out by using sterling reserves as a lever.¹³

Blocked sterling reserves which in 1945 reached the huge sum of a thousand million pound sterling (nearly Rs. 1400 crores) could be used by Britain to bring pressure on India in the post-war period to influence her economic policies. This amount was nearly 47 per cent of India's annual income and twice the total capital invested in all industries barring the railways and other transport. The liquidation of the Indian debt and the existence of large reserves of foreign currency undeniably enabled the Indian bourgeoisie to consolidate its economic position.

This process was further accelerated in the post-war period, particularly after India became independent. Britain, who all these years had lived on a favourable balance of payments—her huge export and import trade supported by receipts of invisible items like profits on investments abroad etc—was facing a crisis in her balance of payments position. Because of a huge excess of imports over exports, in the second half of 1951 alone, Great Britain lost £ 1,500,000,000 worth of its gold and foreign exchange reserves. The accentuation of the crisis of British economy was seen in the White Paper on the United Kingdom's balance of payments. It revealed the setback that the trade of the capitalist world from the middle of 1951 had suffered. The White Paper showed that during the last six months of the administrative year there had been a disastrous contraction in the country's overseas commer-

13. B.T. Ranadive, *The Sterling Balances Betrayal*, CPI Publication, 1948, p.2.

cial activities. The total deficit in the balance of payments was to the tune of £ 521 million. Of this no less than £ 428 million was incurred in the last half of the year as against £ 93 million in the first six months. Placed against this deficit of £ 521 million in 1951, there had been a surplus of £244 million in 1950. In twelve months, Britain's overall payment position had worsened by the huge sum of £ 765 million. British imports rose from £ 2,372 million in 1950 to £ 3,497 million in 1951—an increase of £ 1,125 million whilst income from exports and reexports was only £ 483 million higher at £ 2,708 million against £ 2,225 in 1950.

Invisible earnings which played a vital role in British economy slumped from £ 243 million in the first half of 1951 to £ 25 million in the second half. Earnings from oil alone fell by £ 99 million as a result of the shut-down at the Abadan plant and higher royalty payments to the Middle East oil producing countries. It appeared that receipts from shipping and insurance had also shrunk. Invisible earnings, as a whole, fell from £ 391 million in 1950 to £ 268 million in 1951. The fall in these earnings, which fluctuated with world trade, clearly demonstrated how Britain was on the downward path, especially since the middle of 1951.¹⁴

The Indian national bourgeoisie which had grown rich, thanks to the military orders it had received (this applied particularly to its upper echelons), was keenly aware of the oppressive restrictions inherent in the colonial regime, which hindered it from releasing the capital it had succeeded in accumulating over the years. British colonial rule stood in the way of the free development of Indian capitalist enterprises. The decline in industrial production that had begun in 1944 aggravated these contradiction still further.



14. B.T. Ranadive, *The Crisis of the Indian Economy*, Bombay, 1953, p.12.

TWO

Penetration of US Capital

In the beginning of the twentieth century, Anglo-American competition in world trade became acute and its repercussions were felt in India also. Though the British ruled India formally followed the 'open door' policy, American trade was restricted by preferences given to British business. British resistance, notwithstanding, the United States was able to increase its share in India's imports from 1.7 to 3.8 per cent between 1900 and 1911.

It may be also mentioned that the princely states, Mysore and Baroda in particular, were especially friendly to American interests. The Cauvery Falls hydroelectric installations in Mysore, for instance, were equipped with American General Electric machinery and were set up by American engineers. Several American-educated Indians obtained high positions in the government of Baroda. The Maharaja of Baroda himself travelled widely in America and his eldest son, Prince Jaisingh Rao, graduated from Harvard College in 1911. Samuel Higginbottom, an American missionary, became agricultural adviser to the states of Gwalior, Ratlam, Kotah, Jhalawar, Dhar and Jaora, and his efforts resulted in large imports of American agricultural machinery.¹

The biggest achievement of American business in British India at the time, however, was its participation in the establishment of the Tata Iron and Steel Works. The Tatas spent sterling 60 million on American equipment and experts and the industry was managed, until 1937, by American engineers.

By cutting off British supplies, the First World War provided

1. U.S. Department of Commerce, Bureau of Foreign and Domestic Commerce, *Special Consular Report No. 72, British India, 1915.*

the United States with a welcome opportunity to extend its trade with India. America's share in the import trade of India rose from an average of 3 per cent between 1909-14 to 7 per cent between 1914-19, while its share in India's exports rose from 8 to 12 per cent during the same period. America became the second largest trader with India. Several American trading houses were established in Indian cities and many British-controlled firms became agents for American manufactures.

It was in this backdrop that a strong British counter-offensive began after the First World War. By such measures as the Imperial Preference agreements, Britain was partially successful in halting American penetration into the Indian economy. The United States continued, all the same, to make notable gains in the sale of automobiles and typewriters and other small machines.

However, India attracted some American investments even before the First World War. The International Banking Corporation (later acquired by the National City Bank of New York) opened a branch in Bombay in 1903 and another in Calcutta in 1904. The American Express Company, the banking counterpart of the travel agency, also established two branches in India.

In the jute industry, American enterprise was particularly marked. It included American Manufacturing Company, the Ludlow Jute Company, the Angus Company, the Cleveland-Akron Bag Company (later sold to Chase Bag Company), and the Reigal Sack Company.² The Firestone Rubber Company established a large tyre factory in Bombay. The Remington Rand Company set up a typewriter factory in Calcutta. The National Carbon Company of America acquired in 1936, the Eveready Company of the United Kingdom, which had set up a dry batteries factory in Bombay. The Ford Motor Company of Canada, was established in 1926 with its head offices and plant in Bombay. General Motors started assembling motor cars and trucks in Bombay in 1928. In 1939, it set up a new unit called the Commercial Body Building Corporation. In addition, there were several American importers and exporters and sales agencies, as well as petroleum distributors, such as the Standard-Vacuum Oil Company and the Caltex Company.

2. Robert W. Dunn, *American Foreign Investments*, pp. 163-64.

These direct American investments in India were rather small compared to those of Britain. It could be said that these represented only a fraction of American interests in India. To obtain a correct estimate of American investments however, it is necessary to take into account indirect investments made through British and Canadian subsidiaries. The giant American financier Morgan, for instance, had important interests in India. J.P. Morgan and Company controlled the British firm, Morgan, Grenfell and Company. Sir Thomas (later Lord) Catto and three other partners of this firm were active in Yule, Catto and Company, and operated in Calcutta as Andrew Yule and Company. This was the biggest managing agency in India, controlling numerous enterprises in jute, tea, coastal shipping, coal mines, flour, oil construction, rubber, sugar, paper and printing, electric power and insurance. Catto, the Morgan representative in India, was also a director and deputy chairman of the Mercantile Bank of India, a British concern.³

During the Second World War, economic relations between India and America took a new turn primarily because of the weakening of the position of British imperialism. After America entered the war and as the dependence of Britain on the United States increased, American influence in India developed rapidly. With the stationing of over a hundred thousand American troops in India, the establishment of American news services and information offices in India and the despatch of various American missions and representatives to India, an entirely new stage in Indian-American relations was reached.

This trade was, however, not a normal trade. Much of the increase on the export side was due to lend-lease goods shipped to India from 1942 on the basis of the Anglo-American agreement. Part of the import side is represented by the reverse lend-lease contributed by India.

According to official American figures, the value of lend-lease exports to India up to October 1, 1945, totalled sterling 2,128,803,000. India supplied sterling 639,443,000 in reverse lend-lease up to July 1, 1945. The biggest item in the lend-lease exports to India was munitions, valued at £ 1,288,498,000. The remainder was accounted for by petroleum products, valued at sterling 161,

3. L. Natarajan, *American Shadow over India*, Bombay, 1952, p. 6.

721,000, industrial materials and products amounting to sterling 494,673,000, and agricultural products to the tune of sterling 183,911,000.⁴

This in fact was a concealed form of exploitation of Indian resources because much of the material shipped to India was actually meant for other countries.

The reverse lend-lease supplied by India, on the other hand, was relatively very large, and it was supplied at a time when India was faced with serious economic difficulties. India supplied large quantities of rubber, tea, mica, manganese and other raw materials, as well as military equipment and many crore yards of cloth. India also provided various services to the American armed forces and merchant marine. As a result of this, India owed the United States sterling 178,405,648.20 on March 31, 1949.⁵

Excluding lend-lease, relief and reciprocal aid shipments, the value of trade between India and the United States from 1940 to 1945, was as follows:

Year	US Exports to India	US Imports from India	in thousand dollars
1940	68,428	102,204	
1941	89,600	131,510	
1942	90,521	131,510	
1943	29,449	125,837	
1944	49,083	110,988	
1945	68,496	146,472	

Source: *Foreign Commerce Weekly*, Washington, Oct. 10, '49.

The percentage shares of the United Kingdom and the United States in India's trade between 1941-42 and 1944-45 were as follows:

Compared to 1937-38, when the United States' share was 7.4 per cent in India's imports and 10.1 per cent in India's exports, the increase was considerable. For the first time in history, the shares of the United Kingdom and of the United States came close togeth-

4. U.S. President, *Twentyfirst Report to Congress on Lend-lease Operations*, for the period ended September 30, 1945.

5. U.S. President, *Twentyeighth Report to Congress on Lend-lease Operations*.

Year	India's Imports		India's Exports	
	Percentage share of U.K.	U.S.A.	Percentage share of U.K.	U.S.A.
1941-42	21.1	20.1	32.3	19.7
1942-43	26.8	17.3	30.6	14.8
1943-44	25.1	15.8	30.4	20.2
1944-45	19.8	25.7	29.0	21.2

Source: B.N. Ganguli, *India's Trade Relations and Trade Policies with Special Reference to the United States*, mimeographed, p. 8.

er and, in 1944-45, the United States even outstripped the United Kingdom in Indian imports.

That being the situation, the United States began establishing close relations with the largest Indian business concerns and the latter began to take an active interest in searching possibilities of increasing contacts with America. This trend became particularly pronounced towards the end of the war. A government sponsored industrialists' delegation which visited the United States in 1945, included G.D. Birla.

It must be pointed out here that the Congress leadership, far-sighted as it was, did not take kindly to new orientation of a section of the Indian big business. Mahatma Gandhi was not only surprised by these new initiatives, but he even expressed his concern to G.D. Birla. He asked him not to make any commitments to foreign countries. It was only after Birla assured him that they did not have any such intention that Gandhiji withdrew his opposition to the mission. This was consistent with Gandhiji's previous opposition to American aid. He had declared in the *Harijan* on April 26, 1942: "We know what American aid means. It amounts in the end to American influence, if not American rule, added to British....."

About this time, on another occasion, Gandhiji said again: "America is today able to hold the world by selling all kinds of trinkets, or by selling her unrivalled skill..."⁶

It is significant to note that Indian merchants' chamber came out openly against this trend in the statement on May 2, 1945, which said:

6. S.R. Tikekar, *Epigrams from Gandhiji*, Publications Division, 1971, p. 5.

"India would prefer to go without industrial development rather than allow the creation of new East India Companies in this country, which would not only jeopardise her economic independence, but also would effectively prevent her from acquiring her political freedom."⁷

This shows that an influential section of the rising Indian bourgeoisie which formed the backbone of the national and swadeshi movements and which was composed mainly of small industrialists and merchants, was quite aware of the need for reducing the foreign economic influence and thereby promoting opportunities for Indian industry and business.

Nevertheless, increased contacts between a section of the Indian businessmen and their counterparts in the United States resulted in several joint concerns or similar arrangements. Among those established during or immediately after the war were: Birla's Hindustan Motors having a contract with the Studebaker Corporation; Walchand Hirachand's Premier Automobiles with the Chrysler Corporation; the Motor House (Gujarat) Ltd., with the Kaiser-Frazer Export Corporation; the Fazalbhoy Photophone Equipment Company with the Radio Corporation of America; the National Rayon Corporation, formed by Purushottamdas Thakurdas, Ardeshir Dalal, A.D. Shroff, Walchand Hirachand and others, having an agreement with the Skenando Rayon Corporation of Utica (N.Y.) and Lockwood, Greene and Company of New York, the latter being a firm of consulting engineers.

Though soon after Independence, there was a tendency among the Indian industrialists to prefer arrangements with American rather than British firms in the hope of getting better terms, this did not take them far. One obvious reason for this was that the resources of Indian businessmen, even of the richest, were too meagre as compared to those of the giant American corporations. The American concerns had the whole field of international investment—except the Soviet Union and Eastern Europe—open to them after the war, and could dictate their own conditions. As a result, the terms offered by American companies to Indian businessmen were not such as are between equals. The majority of American investors felt that unless they had a voice in the pro-

duction, accounting, product standards and marketing methods, their participation could not be guaranteed.⁸ This position was not acceptable, both to the political leadership of the national movement and the new class of industrialists, though a section of the big business did enter into deals with Americans as junior partners.

Unable to obtain the required machinery from the United States in exchange for Indian exports, and faced with large adverse balance of payments, a search for a new path of independent economic development began. In its first statement on economic policy, the report of the Advisory Planning Board of the Interim Government, in December 1946, declared that "foreign capital will not be required for direct investment in industries" and that foreign technicians "will doubtless be obtainable on the usual terms of employment."⁹ It added:

"In the case of highly specialised industries, it may be necessary, where such a course is found unavoidable in the national interest, to acquiesce in an Agreement of Management, which would leave the control of management in foreign hands for a limited period. In such a case, if participation in capital is made a necessary condition of association, there would be no objection to it provided that effective control is retained in Indian hands. It should, however, be a condition of the agreement that Indian personnel would be trained for all grades of the industry so that on the termination of the agreement, Indian personnel could take over the entire management including the technical direction of the company.

"Beyond this we are of the opinion that the intrusion of foreign firms in the field of Indian industry should not be allowed. The reasons for keeping the basic industries of the country free from foreign control and entirely in the hands of the nationals of the country are obvious. But even in the case of other industries, e.g. consumer goods industries, we think there are good reasons for a similar restriction. If foreign companies with their vast resources, tech-

8 *Eastern Economist*, November 16, 1945.

9. *Eastern Economist*, May 18, 1945.

nical and financial, are allowed to establish themselves in industry in the fields at present not covered by Indian enterprise, there is little chance, in our opinion, of that enterprise being brought into existence at a future date. Even if an attempt is made, it would have to contend against formidable difficulties. It seems to us preferable that the goods which the country cannot produce later on, should continue to be imported from other countries rather than that their local manufacture should be started or expanded by foreign firms. In the course of time it will be possible to restrict or discontinue foreign imports: but foreign vested interests once created would be difficult to dislodge."¹⁰

This reflected a clear manifestation of the will of the rising Indian bourgeoisie to oppose the domination of the Indian economy by foreign monopolies. This aspiration of the Indian bourgeoisie which was articulated, even before India became independent, had certain objective reasons. Before that First World War, British capital dominated the developed forms of capitalist enterprise, accounting for up to two-thirds of the total capital and grew at a faster rate in general than the Indian capital. During the war, however, a turning point was reached. It had its origin in the particular phase of the national movement beginning in 1905. The slogan of economic boycott of British imperialism had a revolutionary significance because it was qualitatively a new weapon of struggle and was different from earlier religious and metaphysical overtones of the movement. The main content of the economic boycott of British imperialism was support for Swadeshi goods, national education and Swaraj.

During the first phase of general crisis of world capitalism, the absolute quantities of British and Indian capital and their rates of growth were more or less even. To say this, does not, however, mean that the British did not control a certain portion of Indian capital. On the other hand, the accelerated development of lower forms of capitalist enterprise in industry and the socio-economic changes in the villages strengthened the position of the national bourgeoisie. By the late thirties, the scales started changing in fav-

10. *Ibid.*

our of Indian capitalism and this process touched a new peak during the Second World War. Since the instruments of the political power were still in the hands of British imperialism, Indian capitalism could grow within certain limits. Nonetheless, Indian capitalism started growing at a faster rate between the two world wars and along with this the social base of the national leadership also started expanding. This shift in the correlation between the Indian capitalism and British capitalism in the Indian economy can be seen in the following table:

**Foreign and Indian Capital in Joint Stock Companies
in 1921-35¹¹**

Year (ending March 31)	Total capital (Indian)		Total capital (foreign)	
	Rs. million	Percent	Rs. million	Percent
1921	633	56.6	485	43.4
1922	822	54.6	682	45.4
1923	998	55.2	811	44.8
1924	1,039	55.6	829	44.4
1925	1,050	55.3	847	44.7
1926	1,020	54.5	850	45.5
1927	1,041	54.9	856	45.1
1928	1,036	53.2	913	46.8
1929	1,040	53.4	907	46.6
1930	1,040	53.3	913	46.7
1931	1,018	52.7	912	47.3
1932	1,030	53.0	913	47.0
1933	1,055	53.6	910	46.4
1934	1,096	53.5	954	46.5
1935	1,113	54.5	930	45.5

During the Second World War, the upper crust of the Indian propertied classes made thousands of millions of rupees. According to the official figures which did not reflect the real picture, taxable company incomes rose from Rs. 470 million in 1940-41 to Rs. 1,680 million in 1944-45, an increase by 3.5 times.¹² There is no doubt that the big capitalists got rich faster than any other group within the Indian bourgeoisie.

All things considered, the fact remains that soon after independence, India began to look increasingly towards the United States

11. H. Venkatasubbiah, *The Structure Basis of Indian Economy*, London, 1945, p. 118.

12. S.K. Mahajan, *Shadow of Hyper Inflation*, Bombay, p. 25.

for financial and economic assistance and consciously pursued this line. May be Indian leaders were trying to utilise Anglo-American contradictions to India's advantage. However, the conditions which American capitalists were proposing were not acceptable to the leaders of independent India, a trend which was noticeable even during the mid-forties. This aspect needs to be noted because till the early fifties, India did not have any other option for economic assistance open to it. It was after the socialist countries rebuilt their war-ravaged economy, the Soviet Union in particular, that alternative channels of friendly economic help from the Soviet Union and other socialist countries opened up.

In the first major policy document of 1948—Industrial Policy Resolution—emphasis was placed on the decisive role of the state in building up the national economy. In 1950, the Planning Commission, headed by Jawaharlal Nehru, was set up. If the first plan paved the way for restructuring of industry, the second and the third plans worked out detailed programme for the industrialisation of the country, thus creating objective conditions for an independent economic development. In this sense, it will not be incorrect to say that the first three plans were the most concentrated expression of the policy of building states capitalism. The implementation of this policy and the creation of the public sector became important instruments of economic development and of liquidating the vestiges of the colonial rule. The main enterprises of Indian heavy industry were concentrated in the public sector, namely, those enterprises which were crucial for the industrialisation of the country. Secondly, the public sector developed more rapidly in this period than the private sector. Indeed, between 1951 and 1961, the paid up capital of state enterprises increased from Rs. 263 million to Rs. 5,452 million, a truly phenomenal increase in one decade. On the other hand, the increase in the private capital was from Rs. 7,491 million to Rs. 11,894 million. In 1951, the paid up capital of state enterprises equalled that of the private companies, while in 1961, it had risen higher by 40 per cent. The share of the public sector in India's reproducible tangible wealth which was only 15 per cent in 1950-51, rose to 25.6 per cent by the end of the second plan. It increased to 35 per cent by the end of the third plan.¹³ 172 public sector enter-

13. All India Trade Union Congress Documents, 1975, p. 26.

prises with a total capital of Rs. 36,118 crores, accounted for sales of Rs. 41,353 crores during 1982-83.¹⁴

The public sector, undeniably, is anti-imperialist in character, though different political parties in India assess it differently. The democratic forces consider it as the most important economic factor which promotes the programme of democratic reform and keeps in check private capitalist enterprise. The reactionary groups are building pressure that it should be either subordinated to the private sector or handed over to it. Nonetheless, the expansion of the public sector and along with it the growth of the private sector have created conditions in which India is in a position to bargain and get foreign aid on the basis of parity and not as a junior partner as hitherto. As a result, the US aid to India has been declining over the last one decade.

India's dependence on USA for aid has sharply decreased since 1971-72 when the total aid from USA, around Rs. 334 crores, came down to only a sixth of this at Rs. 55 crores in 1972-73. Over the last decade, the aid received by India from USA fluctuated between Rs. 22 crores and Rs. 119 crores. In 1981-82, it amounted to Rs. 70 crores. Obviously, with the reduction in aid from the US in absolute terms, the relative share also declined from 40 per cent in 1971-72 to 8 per cent in 1972-73 and further came down to meagre 3.5 per cent by 1981-82. This scaling down of US aid may be set against more than two-fold rise in total aid received by India from all sources. Thus, a very high magnitude of aid from the USA (Rs. 317 crores) over a lower base of total aid of Rs. 791 crores in 1970-71, gave a share as high as 40 per cent to USA, while a much lower magnitude of aid from USA (Rs. 70 crores) over a broadened base (Rs. 1968 crores) in 1981-82 allows an insignificant share of just 3.5 per cent to the USA.

This basic shift in the position of the US aid to India is, of course, mainly due to the fact that India has diversified sources of obtaining aid. It now attaches more importance to institutional borrowings from the International Monetary Fund, World Bank and other countries. This change in the share of the US aid to India may be studied in the following table:

14. Prakash Tandon, *Economic Times*, New Delhi, May 31, 1984.

US Share in Total Foreign Aid to India¹⁵

rupees in crore

	U.S. aid to India	Total foreign aid to India	% share of U.S. in total foreign aid
1970-71	316.9	791.4	40.0
1970-71	316.9	791.4	40.0
1971-72	333.6	834.1	40.0
1972-73	54.8	666.2	8.2
1973-74	68.2	1035.7	6.6
1974-75	69.4	1314.3	5.3
1975-76	128.9	1840.5	7.0
1976-77	68.8	1598.9	4.3
1977-78	25.2	1290.0	2.0
1978-79	21.6	1265.8	1.7
1979-80	42.8	1367.0	3.1
1980-81	82.4	2164.9	3.8
1981-82	69.7	1967.8	3.5

15. Surekha Sule; *Economic Times*; New Delhi, July 4, 1983.

There is yet another aspect of Indo-US economic relations. Indian exports to the USA improved by 17 per cent amounting to 1404 million dollars during 1982 over those of 1981, and India's imports from USA declined by 8.5 per cent to 1599 million dollars in 1982 from 1784 million dollars in 1981. After a 31 per cent fall in 1977 when food imports were stopped, this was the first time that a fall had been registered in India's imports from USA. It may also be mentioned in this connection that USA has now adopted tariff and non-tariff measures to check imports. This has given a severe blow to Indian exporters to USA. This may be the reason why Washington is now becoming active to mend fences with India.

The picture of Indo-US economic relations will not be complete without taking into account the foreign private investments in India. It is difficult to get full data about private foreign investments in Indian industry because since 1974, Reserve Bank of India has not come out with exact figures. However, the data compiled from the Bulletins of Reserve Bank of India from 1948 to 1974, does indicate how the trend has been shaping. Foreign private investments in Indian industry from 1948 to 1974 comes to Rs. 1,943 crores. This conclusion is based on the following table:

15. Surekha Sule, *Economic Times*, New Delhi, July 4, 1983.

**Foreign Private Investments in India: Cumulative Total:
1948 to 1974 (selected years)¹⁶** rupees in crore

Country	1948 (June)	At the end of December			At the end of March		
		1955	1960	1965	1970	1974	Per cent
		A Country-wise Data					
U.K.	206.0	365.9 (82.7)	432.2	539.8	617.9	689.1	35.5
U.S.A.	11.2	39.6 (9.0)	73.0	218.2	431.3	530.9	27.3
West Germany	0.1	2.4 (0.5)	6.4	32.1	15.7	180.8	9.3
Italy	—	—	—	16.9	90.2	83.4	4.3
France	—	—	—	22.8	53.2	49.7	2.5
Switzerland	5.3	5.7 (1.3)	7.9	20.0	44.5	44.9	2.3
Japan	—	—	—	37.3	71.3	41.6	2.1
Sweden	—	—	—	8.1	18.8	4.3	1.8
Canada	—	—	—	11.1	20.6	32.4	1.7
Others	33.2	28.8 (6.5)	115.2	96.0	117.5	255.9	13.2
TOTAL	255.8	442.4 (1000.0)	634.7	1,002.3	1,641.0	1,934.0	100.0

16. *Commerce*, Bombay, April 16, 1983.

It should also be noted that in recent years there has been a significant change in the pattern of financing of foreign ventures through "direct" investments by the advanced capitalist countries in the developing countries, there being a shift from equity participation to greater use of loans and supply of credits. Another change taking place is that the foreign investors instead of exercising a direct control, now prefer participation in management, technical assistance and training programmes. In view of India having already reached a fairly advanced stage of economic development, it seems that the American investors are building pressure to control indirectly the industrial ventures set up by them in the country.

Still another aspect of Indo-US economic relations may be examined. There are no two opinions that almost all the developing

16. *Commerce*, Bombay, April 16, 1983.

countries are facing serious financial problems and they need external aid to cover the balance of trade deficit. International financial institutions, such as, the IMF and the IBRD constitute a major source of financial assistance for the developing countries. It is also well-known that since the early eighties, the international financial organisations which are controlled by western countries, particularly the USA, have restricted the volume of credit given to the developing countries, especially for their public sector undertakings. One need not go into greater details here.

The most significant development to note is that ever since China joined these international financial organisations, the developing countries have been further hit. As early as 1980, not long before China had joined the IBRD, the spokesman of this bank had openly declared that credit to China would be provided after drastically cutting down the share of other countries. In 1982, China received from the IBRD, 330 million dollars and this was increased to 538.5 million dollars in 1983. According to another estimate, from the day China joined the IBRD till the end of the last year, it received a total credit 1.07 billion dollars, including more than 0.5 billion dollars received through IDA channels.

In 1983, while easy term credits for a large number of developing countries were drastically reduced, China's share increased by 150 per cent over the previous year. The worst hit perhaps was India because its share was heavily reduced.

It is necessary to point out this fact to show that even in the area of financial aid from international financial institutions—an aid which is bitterly criticised—China now stands on a different footing. There must be some objective reasons for this privileged position enjoyed by China and they need to be examined carefully, more so because China is still a socialist country and India is following a capitalist path of development, even though an independent path. This raises some pertinent questions. The chief among them is why China is being favoured as against India in the matter of assistance by the international financial institutions controlled by the USA ?

One obvious explanation is that China's "open door policy" has paved the way for foreign capital to penetrate its economy. China is also creating a favourable climate for attracting private capital. China has decided and consequently started dismantling its

centralised planning structure. Above all, since the early eighties, China's economic ties with America have been growing apace. It has been estimated by some experts that 46 per cent of the loans given to China by the IBRD have been used to finance Chinese imports from the United States. On the other hand, India was forced to turn down a number of IDA loans because attempts were made to impose certain conditions which were not acceptable to our country.

It is noteworthy that after China had joined the international financial organisations, it succeeded in considerably strengthening its position in the IMF and the IBRD. Beijing's quota in the IMF has increased from 550 million to 1.8 billion SDR. China has also strengthened its representation in the IBRD where it now holds the sixth place, both in terms of distribution of allocations and voting rights. Previously this position was held by India but now it has been pushed down the ladder. There is every possibility that India's position may further weaken. There are clear indications that in 1985, China's share from the international financial institution will register a steep increase and perhaps by the end of the present decade, this will reach the record figure of two billion dollars.

There are some Indian economists who have predicted that in the foreseeable future China will account for almost one-third aid from the IDA fund even while the American-controlled international financial institutions are tightening their screws as far as other developing countries are concerned, the chief among them being India. One can imagine the situation that will emerge after China joins the Asian Development Bank.

All these facts demonstrate that after building up special relationship with Washington in the geopolitical area, China is now fast integrating itself with America in the economic field. India, as the leader of the nonaligned movement, cannot afford to ignore this ominous development.

In an increasingly inter-dependent world, foreign investment is recognised as an important vehicle for the transfer of both capital and technology from the developed to the developing nations. In the words of US President Ronald Reagan "private investment by American companies continues to be the most effective to transfer the financial resources, technology, and management

skills that play such a vital role in stimulating long-term and independent development."¹⁷

Although India has a good record of internal capital formation—over 90% of 1982's gross investment achievement of 25% of GNP is reported to have come from domestic savings—she still needs and has consistently sought foreign investment in designated key areas. Thus, from 1957 through September 1982, the government of India approved 7056 collaborations, of which the US share was 1332 or 19%, representing a US investment of 500 million dollars. However, at only 0.5% of the US investment worldwide, this is still infinitesimal.

Recently, the pace of technology transfers has been accelerating markedly. During the first nine months of 1982, 435 collaborations were approved as against 389 in 1981. Out of this, the US heads the list with 118, representing 30% of all approvals. American giants like the Ford Motor Company, International Harvester and Caterpillar have collaborated with Indian companies for the manufacture of agricultural equipment. Tyre manufacturing technology was brought to India by US companies like Goodyear, Firestone, Um Royal and Mansfield. In the manufacture of antibiotics and pharmaceuticals, Merck Sharp & Dohme, Pfizer, Parke-Davis, American Cyanamid stand out prominently.

In the public sector, Bharat Heavy Electricals Ltd. collaborated with Combustion Engineering Inc. of New York for the manufacture of steam generators. The Heavy Engineering Corporation at Ranchi has a technical agreement with the National Forge Company of USA for the manufacture of locomotives and crank-shafts. Similarly, in the oil and fertiliser industry, Lubrizol Corporation of Cleveland and Ohio are actively associated. Some of the better known US companies that have come to India recently are Rockwell International, General Floods, Signode, Xerox, and Sterling Drug, joined by such 'old India hands' as Union Carbide, Ingersoll Rand, Dow and American Express. While these are equity partners in Indian ventures, there are many others who have found agent or representative relationship to be a more suitable way to operate in India.¹⁸

17. W.R. Correa, President Indo-American Chamber of Commerce, *Economic Times*, July 4, 1983.

18. *Ibid.*

This means that major changes are taking place in the position of the various groups of Indian bourgeoisie. With the growth of the state owned sector, private sector and the policy of protectionism, the influence of the foreign bourgeoisie has been decreasing. This is the real significance of building a self-reliant economy through an 'independent' path of economic development. To say this, however, does not mean that the hold of the foreign capital on the Indian economy should be underestimated. The overall share of foreign capital in the Indian economy has been dropping, but this decline in large scale industries is going on at a very slow rate.

Nevertheless, the fact remains that the Indian big bourgeoisie being much stronger now than before is keen on developing economic ties with the developed industrialised countries, America in particular. At the same time, they are exploring the possibility of strengthening economic relations with the socialist countries, with the Soviet Union above all. Mr. Ashok Jain, leader of FICCI delegation has observed that Soviet Union's contribution in India's industrial development has been significant. The liberal assistance, technical know-how and supply of plants, machinery, equipments and raw materials have helped India in achieving self-reliance in a number of key sectors of the Indian economy. He went on to say that economic cooperation between USSR and India has so far remained largely with India's public sector undertakings. Most of the projects, set up by the Soviet assistance, have been massive and beyond the reach of private sector. They had necessarily to be with the government undertakings. However, the private sector in India, was keen to adapt advanced and sophisticated technology of the USSR. Private sector so far has not been attracted by Soviet market, due to non-availability of adequate information about the type of products, technology and their suitability to Indian conditions.¹⁹

Against this background it is obvious that the nature of peripheral capitalism in India needs to be analysed along with an objective assessment about the nature and direction of Indo-American contradictions, both in the political sphere, as well as in the economic field.

19. Federation of Indian Chamber of Commerce and Industry, New Delhi, p. 4, 1983.

THREE

Specific Features of Mixed Economy

The course of development in India to build an independent economy, of course, within the capitalist frame, during the last four decades has seen many ups and downs and has been taking a zigzag pattern. Class and social struggles in a society like India, for that matter in any society, are always waged around cardinal problems connected with modernisation, industrialisation and rapid economic development of the country. Therefore, this struggle has neither been abstract nor specific. Again, the scope of such a struggle has not been consistent; it changes depending upon the phase of socioeconomic development on the one hand and the correlation of political forces on the other. To illustrate this point it may be mentioned that the total number of jointstock companies declined from 28,532 in 1951 to 26,149 in 1961. However, the aggregate paidup capital went up from Rs. 775.4 crores to Rs. 1,818 crores in this period.¹ This showed that the process of capitalist concentration increased rapidly in this decade even as the position of the middle strata of the bourgeoisie weakened. Since 1961, however, both the number of the jointstock companies and the amount of paidup capital started steadily rising till 1980. Between 1961 and 1980, the number of the companies increased by 213.3 per cent and the amount of paidup capital rose by 737.5 per cent.² All this economic growth led to sharp contradictions in the ranks of the rising Indian bourgeoisie.

1. *India: A Statistical Outline*, New Delhi, 1984, p. 65

2. *Ibid.*

Again, foreign capital invested in India, according to Reserve Bank figures, totalled Rs. 5,664 million at the end of 1960, as against Rs. 2,558 million in 1948. British investments accounted for 78.6 per cent of the total foreign investments, followed by American investments constituting 14 per cent of the total foreign capital. However, economic aid in the form of foreign credits and subsidies became a more important component of India's economic relations. By the mid-sixties aid from the capitalist countries had reached close to Rs. 35,000 million, of which about Rs. 14,000 million came from America alone.

At about the same time, India's economic relations with the Soviet Union and other socialist countries too started expanding rapidly. Between 1955 and 1965, the Soviet Union approved longterm credits for India totalling over 600 million roubles. These credits were mainly meant to build basic and heavy industries in the public sector. In the early 1970s, factories built with Soviet aid accounted for 30 per cent of steel production, 85 per cent of manufacture of heavy equipment, 60 per cent of heavy equipment for the power industry, 25 per cent of aluminium and 80 per cent of oil produced in India.

In contrast, American and British aid mainly strengthened the hold of the foreign monopolies and began drawing India inexorably into the world capitalist system. However, with the help of Soviet aid and help from other socialist countries and its own resources, India launched a struggle to become self-reliant and independent. In the late sixties, a series of measures taken by Indira Gandhi—nationalisation of banks and general insurance, taking over of many closed down units in engineering and textiles, nationalisation of coal industry—gave a new direction to the country's efforts to build an independent and self-reliant economy. Thus in the early seventies, India had stepped out of one stage of economic development into another, from a totally backward, colonial and dependent stage into an advanced, progressive and independent stage.

There are some Indian and American experts, who have advanced the hypothesis that the rate of growth of output, i.e. of gross domestic product, has decelerated since the middle of the 1960s; and that since the rate of domestic investment has evidently gone up significantly over the last decade, incremental capital output ratios have not only risen sharply but have reflected an increasingly wasteful and inefficient use of economic resources. These theories were

directed to provide both economic and political arguments to reverse the course of independent economic development India has chosen for itself.

However, if the record of growth in the last decades is objectively analysed, we will notice that there has been no decline in the growth rate of gross domestic product (GDP). On the contrary, one can see some slight improvement.³

The present phase of India's history is associated with the struggle to become economically independent and to fully harness domestic resources for the welfare of the people. This brings to the fore a variety of problems—attitude to foreign capital, role of public sector, the efficient management of the public sector, the relationship between private and public sectors, the role of the big business, ways of improving the lot of the rural poor, methods of industrialisation, how to tackle the problems of urban and rural unemployment, etc.

These key problems are bound up inextricably in everyday life with the concept and direction of the 'mixed' economy. This concept is leading to a polarisation of social and class forces. The conflict between the two paths of capitalist development—independent and dependent development—also is leading to a polarisation of the Indian bourgeoisie, which popularly is described as a sum total a bourgeois formations. It goes without saying that as long as the existing correlation of political forces continues, the path of independent economic development will serve the interests of the principal classes of the Indian society, including the bulk of the national bourgeoisie. Political independence brought with it changes in many aspects of the country's economic and political life, and helped to make the outlines of the two paths of capitalist development more distinct, though they have by no means crystallised into well marked formations.

The path of 'dependent' capitalist development, on the other hand, is connected with the activities of a section of the big bourgeoisie and its political representatives. It seeks to rally the conservative elements of the propertied classes, both in the urban and the rural areas and at the same time enlist the support of foreign capital.

This trend has acquired strength from the growth of the Indian big business. This becomes clear from the following table:

3. K.N. Raj, *Economic and Political Weekly*, Bombay, October 13, 1984.

Assets of Monopoly Houses

[rupees in crore]

	1971	1981	1982
Tata	641.93	1840.16	2430.82
Birla	589.42	1691.69	2004.74
Mafatlal	183.74	535.12	598.89
J.K. Singhanian	181.43	520.14	620.31
Thapar	136.16	429.80	464.50
ACC	134.36	342.77	378.31
ICI	135.23	337.84	378.31
Sarabhai	84.44	331.25	356.91
Bangur	125.26	280.16	—
Kirloskar	86.46	278.16	334.29

Source: *People's Democracy*, December 16, 1984, New Delhi.

This explains the pressures of the Indian big-business to alter the industrial policy of the country with a view to pave the way for extensive cooperation with foreign capital. Consequently, the impatience with the public sector is being voiced more openly than before.

Nevertheless, attempts to strengthen links with foreign capital are not absolute in the sense that even the Indian big-business wants to collaborate with it on the basis of equality. Therefore, contradiction between a section of the Indian big-business and foreign capital should not be ruled out. At the same time, the attack of a section of the Indian big-business on the public sector does not imply that it wants to wipe out its enemy altogether. In fact it reflects a desire to restrict the scope of this sector and make it serve the interests of a section of the bourgeoisie.

Independent capitalist development involves a radical solution of the major problems of socio-economic development in its present phase: restricting the activities of the foreign monopolies, rooting out feudal vestiges and democratisation of social and political life. In the economic field, this path involves a consistent solution of the agrarian problem, the maximum consolidation of the public sector, its democratisation and a radical improvement of its working. There are indications that some changes in this path are under debate.

Nevertheless, this path is leading to a serious division in the Indian bourgeoisie. It cannot be gainsaid that with the development of capitalism in an independent country, the anti-imperialist and anti-

feudal potentialities of a section of the upper crust of the Indian big-bourgeoisie tend to decline, while in the other strata of the national bourgeoisie, they may grow. India's contradiction with American imperialism, both in the areas of economy and politics, in the last three decades lends strength to this conclusion.

It will, therefore, not be incorrect to say that the 'dual' nature of the national bourgeoisie has acquired certain new aspects and in fact in the case of some of its sections, this duality becomes substantially different. This is evident from the experience of India since its independence.

There is no doubt that as a developing society, India occupies a special place in the capitalist world. But it is also true that India is not as yet a fully developed capitalist society. It is striving to overcome the backwardness it has inherited from centuries of colonial rule. This is a vital issue. When the problem of India's economic development is examined from this angle, it is not difficult to see that the developed market economies (DMEs), particularly the United States, do not allow India to develop its productive forces above a certain level. This brings India again and again into sharp conflict with imperialism. And this contradiction, between a country on the periphery of world capitalism and imperialist capitalism, would continue to exist as long as India's political dispensation does not reconcile itself to building a dependent capitalist society, a path which, for instance, some Latin American countries have already chosen to tread.

This distinction between the capitalist modes of production at the centre of world capitalism—the DMEs—and of the modes of production of the countries on the periphery, such as India, is a hard reality. Apart from the theoretical basis for this distinction, experience of the last three decades shows that the newly liberated countries have broadly chosen four different paths of development, such as, (a) in Cuba, Vietnam, Kampuchea and Laos; (b) non-capitalist path of development with socialist orientation —Angola, Ethiopia, Mozambique, Afghanistan and the People's Democratic Republic of Yemen; (c) independent capitalist path of development with centralised planning and public sector as the main instrument of overcoming backwardness as in India and (d) dependent capitalist development as in some Latin American, Arab countries and in Pakistan. This categorisation is by no means exhaustive because there

may be countries falling between the two categories and there may be others which may move from one category to another, in the event of a shift in the political balance of forces. This division, therefore, is not static nor should it be taken schematically.

The point to note, however, is that the centre of world capitalism, that is the United States, comes again and again in conflict with India which is still on the periphery of the world capitalist system because it is trying to overcome its backwardness and does not want to fall back into imperialist 'clutches', a warning given by Gandhiji and Jawaharlal Nehru on the eve of independence and happily not forgotten so far. This is the crux of the problem, notwithstanding the fact that capitalist development has unfolded its own logic in India.

Independent path of capitalist development which India has been following after it wrested power from British imperialism has historical roots, are aspects that should not be ignored, if one has to objectively assess the socio-economic basis of India's contradiction with American imperialism.

The Indian bourgeoisie has been described as having been "born and brought up in the lap of British imperialism". Before entering the world in this exceptional way, it has been forced by historic circumstances to gestate for more than the normal period in the womb of feudal society. In its present awkward age of adolescence, it still shows marks of its birth and its pre-natal influences.

In spite of these disabilities, the political growth of the Indian bourgeoisie has not been inconsiderable. It has, of course not yet emerged as the dominant social class, politically controlling the state in a specific form. That would require, among other things, a more advanced stage of capitalist development than at present. But the bourgeoisie is in the process of evolution.

More particularly in its political aspect, the relative character of decolonisation' cannot be too often emphasised. The term is a misnomer, if it is taken to signify more than it is meant to signify. It is certainly not meant to mean the 'de-revolutionisation' of India. It does not certainly symbolise a permanent liquidation of the contradiction of interests between British imperialism and the social classes comprising the Indian population. Most emphatically, it does not signify the exclusion of India from the area of Asiatic revolution against imperialism. On the contrary, it stands for enormous intensification of the latest capitalist forms in the big urban centres, and the

expropriation of the vast peasant masses in the 'hinterland'; because the imperative needs of advancing capitalism are a reserve of huge, cheap and mobile labour power and vastly increased productivity of the soil through a system of modern agriculture which in its capitalist development can be erected only on the debris of the present peasant economy.

Consequently 'decolonisation' signifies a profound disturbance of the social basis of the existing overwhelmingly vast majority of the 700 millions of the Indian population, and a tremendous concentration of revolutionary forces released by the colossal pressure of double exploitation of a desperate imperialism and an advancing native capitalism.⁴

Whatever may be the element of truth in this assessment made in the late twenties including the theory of 'decolonisation' there is little doubt that Indian capitalism started growing in a period when British imperialism was declining. And after India became politically independent, this process assumed a new dimension; at the same time, world capitalism, American capitalism in particular, was facing an unprecedented crisis. This opened new possibilities for independent capitalist development, though its potentialities should not be over-estimated.

It is this specific aspect of independent capitalist development in India, which needs to be kept in mind in evaluating the capitalist path of development and drawing a clear line of demarcation between dependent and independent paths of economic development within the parameters of capitalism. This distinction alone enables one to grasp how Jawaharlal Nehru and Indira Gandhi followed both domestic and external policies which brought them into conflict with American imperialism at every step and to understand the implications of the assassination of Indira Gandhi.

Marx has described capitalism in a dual sense as national and world capitalism. Capitalism can exist simultaneously only on these levels—local and national capitalist modes of production and world capitalism. This implies that world capitalism as a system consists of dual modes of production, one at the centre of world capitalism and the other on the periphery. Capitalism on the periphery is subor-

4. G.A.K. Luhani, Developments in the political situation in India, *Documents of the History of the Communist Party of India*, Volume III C, 1928, pp. 511-512.

minated to world capitalism. It is, therefore, called peripheral or colonial capitalism. This 'two-faced', two-level existence of capitalism, the difference of the two fundamental organisational forms has to be kept in mind to understand India's contradiction with American imperialism.

Independent path of capitalist development in India, therefore, can be described as a construction from the bottom upwards. It is being built on the basis of the national market. That is why both territorially and administratively India was carved into a national state and an ideological superstructure soon after independence. This strengthened the consciousness of national identity. The processes of nation-building in India, therefore, took a different course as compared to, for instance, Pakistan. The national development of the periphery of world capitalism therefore in economic, political and cultural aspects has its 'own' independent history. Since the 19th century, it has been the history of its subjugation to world capitalism. This course now has radically changed.

Having freed itself from the colonial yoke and taken the independent road of development, India has, therefore, entered modern international life as a sovereign state. It has become an active member of economic and political groupings of a global as well as bilateral and regional character. The emergence of India on the world political scene as an independent force meant, in fact, the most staggering blow, after the rise of socialist states, to the pattern of international relations created by imperialism.

If we consider the cumulative effect of India's participation in international affairs, it becomes clear that today it exerts very significant pressure on imperialism. Though there is some contradiction and inconsistency about India's stand as a whole, it is anti-imperialist and anti-neocolonialist. It contributes to the limitation of imperialist influence in the world and the creation of favourable conditions for the action of progressive and democratic force in the world.

The antagonism between the countries that have thrown off their colonial and semi-colonial dependence and imperialism, is a major factor of contemporary world development and international relations. The successes of the anti-imperialist struggle in the 1970s have brought about important changes in the character and form of this antagonism.

The liquidation of colonial empires is practically over, marking the end of an epoch of anti-colonial struggle. The political independence of young newly freed states and developing countries as a whole has been increasingly filled with practical content. On the basic issues of international politics, they hold an ever more independent stance in relations with the imperialist world.

The struggle of the formerly oppressed countries for economic independence acquired in the 1970s, a qualitatively new character and dimensions, transcending the boundaries of individual countries. On the international scene, the struggle reflected itself in the demands for a new international economic order. This demand clearly showed the realisation by a considerable part of the people of the newly-freed states of the conflict of their interests with the interests of imperialist powers. Gradually, an understanding that imperialism would persist in its line of blocking their efforts at creating an independent national economy and would also plunder their resources through altered forms and methods of exploitation, began broadening and deepening among the young states.

At present, the countries of Africa and Asia are living through historic times when the contradiction between metropolitan countries, on the one hand, and their former colonies, on the other, has hardened into a contradiction between the imperialist powers as a whole and the developing states, which follow different courses in overcoming their economic backwardness and doing away with the vestiges of colonial period. In spite of the divergent character of these roads, the newly independent countries are objectively united by the common desire to counter imperialism and neocolonialist strategy. They rally together to resist the economic and political pressure of imperialism and in this India plays a leading role.

In today's international relations, India now acts as a major and influential force and has already emerged as a great Asian power. This basic change in the position of India, from a country which played a key role in the rise of British imperialism to a country which is exercising a significant influence on the course of contemporary international events, is the direct result of a number of factors. Its strategic geopolitical situation, and the size of its territory and population are, of course, important factors. However, the most decisive factor is its growing economic strength. During the last four decades, its gross domestic product has increased by 3.1 times and per capita

income by 1.4 times. Its total volume of industrial production has risen by five times and agricultural production by 2.1 times. This is the direct result of the policy of building an independent and self-reliant economy. This, however, does not mean that one should ignore the growing concentration of wealth, including the growth of the monopolies, linkages of the Indian bourgeoisie with world capitalism and the pressure of the transnationals on the Indian economy. Though still on the periphery of world capitalism, India has developed its own specific features and its own characteristics, like resisting imperialist pressures, beating off the attacks of neocolonialism and strengthening her political and economic independence.

FOUR

Neocolonial Manoeuvres

Relations between India and America are part and parcel of the overall system of links in which they have a definite role to play within the framework of the built-in principles of the system. Therefore, however specific and self-determined these links may be, they ultimately are components of the structure of contemporary global relations in their totality. India, therefore, as it emerges as a major economic power among the developing countries, is acting as a force in its own right questioning imperialism over a wide range of issues of politics and economics, considering the current power balance on the one hand and its politico-economic relations with the socialist world on the other. Ever since India became independent, it has been striving to increasingly play this role, emphasised by the fact of its having founded the nonaligned movement, as well as consolidating it. This fact is relevant to our thesis because the nonaligned movement has today become the hub of the political unity of the newly liberated countries to fight imperialism.

The approach of the developed countries to the developing countries, particularly to India, is moulded by two factors: American imperialism has a stake in a close fusion of India with the world capitalist system, and in promoting the capitalist mode of production conforming to its interests.

Secondly, Washington does not want that India should emerge either as a potential rival to it in the world market or as another centre of power. This anti-Indian perception assumed a new direction after the American fiasco in Vietnam, the anti-Shah revolution in Iran and the liberation of Bangladesh. Nevertheless,

these two different, although somewhat organically interconnected approaches have been influencing American policy towards India. In recent times, American administration has come to be dominated by those who want to intimidate and pressurise India, through internal subversion and by whipping up an arms race and a military threat in the region. As a matter of fact by fueling tensions in the subcontinent, between India and its neighbours, American imperialism is turning it into a zone of confrontation.

There are obvious reasons for such a stance. The political stature India has carved out for itself in international arena, the prestige and support it commands in the nonaligned movement, have all combined to give a new anti-imperialist and anti-militarist character to this movement founded by Nehru, Tito and Nasser. As a result, the movement has become strong enough to grapple with cardinal problems like the threat of a global thermonuclear war, disarmament, ensuring universal peace and above all a new international economic order.

In the nearly four decades that have elapsed since the rout of fascism in the Second World War, the political map of the world has changed beyond recognition. Today, one-third of our planet's population lives in the socialist states; another half lives in the newly liberated countries and only less than one-fifth inhabits the industrialised capitalist world. In 1945, there were only 70 independent states, the rest of the world was colonised by the imperialist powers; now there are more than 170 independent states, 120 of them belong to Asia, Africa and Latin America. Although there are still remnants of the once powerful empires to be found all over the world, colonialism has, for all purposes disintegrated. The newly independent states are now struggling to survive the grim heritage of colonialism, to achieve economic independence through rapid development and thus strengthen their political independence. India has become a pacesetter in this process, giving a new direction to the struggle of the fledgling countries. However, in a thousand ways, the former colonial masters are trying to stage a *de facto* comeback in these countries in order to exploit their natural resources and above all to make them pawns in their strategic games. These 'thousand ways', of course include the old policy of 'divide and rule', a policy very much in evidence in

Pubjab, Assam and some other parts of India.

Nevertheless, the most important component of this new strategy of imperialism is neocolonialism, designed to keep these countries in the capitalist orbit, to increase their economic independence and thus continue their exploitation. The main role in this strategy is assigned to economic levers because neocolonialism has ceased to find any use in the noneconomic methods of coercion and exploitation. Therefore, it is trying to impose on the newly independent countries an international division of labour of a neocolonialist type. As a matter of fact the economic importance of the developing world for industrialised capitalist countries has enormously grown because of the scientific and technological revolution and intensification of the capitalist crisis.

Here is a picture of how badly developing countries have come to depend on the world capitalist market—for 94 per cent of its oil, 45 per cent of iron ore, 57 per cent of copper ore, 72 per cent of the tin concentrates, 89 per cent of tin, 55 per cent of bauxite and many other industrial raw materials. There is an actual 'monopoly' of the new states in the world market in the supply of the tropical agricultural produce—coffee, coco, tea, rubber, jute etc. Control over the production and trade of these goods ensure extremely high profits for the developed market economies.

However, the unequal and unjust economic relations between developed and underdeveloped countries have blocked the process of regeneration of the economies of most of the latter category. Many exporters of these commodities have somehow managed to keep real export revenues at the 1960 levels only by delivering increasing amounts—as much as 60 per cent or more over the amounts required in 1960.¹ Considering commodities as a whole (except oil), the decrease in prices in 1981 was generally 15.6 per cent and for food subgroup it was 21.3 per cent. Between 1978 and 1981, the non-oil, underdeveloped countries saw a deterioration of about 20 per cent in their terms of trade.² This is graphically illustrated by the following facts:³

In 1960, 6.3 tons of oil could be purchased with the sale of a ton

1.2.3. Fidel Castro, *The World Economic and Social Crisis*, Report to the Seventh Nonaligned Summit Conference, New Delhi, pp. 60,61,62.

of sugar. In 1982, only 0.7 tons of oil could be bought for a ton of sugar.

In 1960, 37.3 tons of fertilizers could be bought for a ton of coffee. In 1982 only 15.8 tons could be bought for a ton of coffee.

In 1960, by selling a ton of bananas, one could buy 13 tons of oil. In 1982, only 1.6 tons could be bought.

In 1959, with the income from the sale of 24 tons of sugar, a 60 HP tractor could be purchased. By late 1982, 115 tons of sugar were needed to buy the same tractor.

In 1959, with the income from the sale of six tons of jute fibre, a 7-8 ton truck could be purchased. By late 1982, 26 tons of jute fibre were needed to buy the same truck.

In 1959, one ton of copper wire could buy 39 X-ray tubes for medical purposes. By late 1982, only three X-ray tubes could be bought.⁴

Before the sixties were over, the nonaligned movement started devoting its attention to this unjust and unequal economic relationship between the developed and the developing countries. At the Algiers summit in 1973, this question was discussed threadbare. The approach and initiative of the summit resulted in the sixth special session of the UN General Assembly adopting a declaration and a programme of action for the establishment of a new international economic order. But the hopes it generated were not fulfilled. No agreement could be achieved on the modalities of global negotiations. High interest rates in the US and some other countries created problems for debt-ridden developing countries. If the advanced countries were passing through a period of tremendous difficulties, many developing countries were on the brink of a disaster. With high interest rates, reduced demand for their exports and growing protectionism in the developed countries, the developing countries found their foreign reserves dwindling fast. Some of them are unable to pay their debts; others have had to curtail their desperately needed imports of food and energy as well as the capital goods and technology they need for development.⁵ That was broadly the situation in the early eighties.

4. Sources: US Exports, September-December, 1981, US Department of Commerce; Comercio Exterior de Cuba 1959; Junta Central de Planificación, 1961; and data from the Instituto de Coyuntura of the Ministry of Foreign Trade of Cuba.

5. L.K. Jha, *North-South Dialogue*, a note circulated in New Delhi NAM, 1983.

This was the global scenario where Indira Gandhi, as the chairperson of the NAM, called for a new international economic order and launching global negotiations towards that end. She also proposed an international conference on money and finance for development with universal participation to devise measures to help developing countries in critical areas.⁶ These initiatives of India further sharpened Indo-American contradictions at a time when the American economy was in an unprecedented crisis. Another point needs to be mentioned here—the growing indebtedness of the developing countries. This becomes graphically clear from the following table:

External Debt Paid by the Underdeveloped Countries at the end of the Year⁷ in billion dollars

Year	1975	1976	1977	1978	1979	1980
Total debt	179.1	216.9	264.6	336.6	397.3	456.2

It has been estimated that external debt paid by the underdeveloped countries in 1981 increased to 524 billion dollars and in 1982 to 626 billion dollars.

It has been estimated that every dollar put by the US corporations in the economy of the developing countries brings a profit of four and a half dollars on the average. Thus the enormous indebtedness of the developing countries to the leading capitalist nations, especially the United States, has become a major instrument of exerting economic and political pressure on the developing states. According to the Italian paper *Il Messaggero* this figure has already crossed 700 million dollars. In 1984 alone the developing countries paid 70,000 million dollars as interest. This means that 40 per cent of all export earnings of the debtor countries went to pay interest on their debts.

An objective estimate needs to be made about external assistance to India and its impact on economic growth. The left critics of the ruling party are, of course, bitter about this aspect of the pol-

6. Indira Gandhi: Concluding Remarks at the Seventh Conference of Heads of State or Governments of Nonaligned Countries, 12 March, 1983.

7. Based on *OECD Development Cooperative Review*, 1981, p. 218, as quoted by Fidel Castro in the *World Economic and Social Crisis*.

icy. Apart from higher indirect taxes and deficit financing, other main source of finance for the various five year plans has been the so-called 'aid' from the imperialist countries and agencies. The term 'aid' is a complete misnomer; these are loans made to India which have to be repaid fully with interest over a certain period. And all these loans, including those from agencies like the International Development Association, an affiliate of the World Bank, have long maturity periods and low interest rates. However, they are all accompanied by explicit or implicit 'conditionalities', the sum total of whose effects has been to preserve, protect and promote the penetration of the Indian economy by multinational corporations and banks.

Thus India has obtained Rs. 26834.4 crores until the end of 1982-83. Of this amount, Rs. 3260.5 crores came as grants and do not have to be repaid; the remaining Rs. 23574 crores have to be repaid with interest. But even the grants, seemingly innocuous and charitable, demand a price from the economy. They are a bait to lure India into buying goods from imperialist countries, often at the expense of home made goods. This means increasing unemployment at home and destroying technologies and skills built up at home over the years. These credits and grants from DMEs shifted unemployment from their home economies to those of the third world countries.

Source wise, the largest lender has been the World Bank, particularly its 'self-lending' affiliate, the IDA. Because of its massive lending, because of its 'concern-for-poverty' rhetoric, because of its pretensions to being 'pro-third-world', and because of its infiltration into the highest echelons of the government, the World Bank has come to occupy a crucial position in India's economic policy-making. This organisation, which has always been headed by persons handpicked by the US President, works to promote systematically the interests of multinationals in the Indian economy. All World Bank aided projects have to purchase their equipment and material through floating 'global tenders'. This gives an edge to multinationals, owing to their greater resources, reputations and connections, over domestic producers. Hence, World Bank finances create markets for multinationals' products at the expense of domestic producers; what is more important, they help

multinationals penetrate the public sector itself.⁸

The total of authorised external assistance at the end of 1981-82 stood at Rs. 31,442.5 crores. Of this, Rs. 24,731 crores was utilised—78.7 per cent of the authorisation.

The amount of utilised external assistance in 1982-83 (provisional) was Rs. 2,323.97 crores. Of this, Rs. 1,281.8 crores or 55.2 per cent came from two international institutions, viz., IBRD and IDA.

The cost of debt servicing (amortisation and interest payments) increased 40 times from Rs. 23.8 crores during the first plan to Rs. 952.7 crores in 1982-83.

India's foreign exchange reserves, excluding gold and SDRs, registered a big leap from Rs. 610.5 crores in 1974-75 to Rs. 1,491 crores next year and reached the peak of Rs. 5,219.9 crores in 1978-79, after which it started fluctuating. The figure for January 1983 was Rs 3,682.4 crore.⁹ (See the figures of overall external assistance on the next page.¹⁰)

Indira Gandhi said in her Raul Prebisch lecture in Belgrade on the eve of UNCTAD meet in the second week of June 1983:

"In India, for example, since 1951, the investment in development has been dollars 193 billion. Over 87 per cent of this has come from domestic sources, the rest from the credits which we have scrupulously paid, and a small part as grants."

This conclusion obviously is based on objective facts and its implications need to be dispassionately examined. This shows that both during the Nehru and Indira Gandhi eras, India followed an independent path of capitalist development, by and large, adopting a number of economic steps aimed at controlling the flow of foreign capital and gradually transforming the socio-economic structure. These actions bring India, time and again into conflict with American imperialism. This does not mean that the need to strengthen economic ties with the developed capitalist countries including America should be ignored or minimised.

Here, it is relevant to mention one more fact to distinguish between an independent path of development and dependent path. For instance, more than half of what American transnationals in-

8. Kartik Rai, *People's Democracy*, New Delhi, December 16, 1984.

9. 10. *India—A Statistical Outline*, New Delhi, 1984, pp. 138-39.

Overall External Assistance

rupees in crore

Years	Loans	Grants	Total (2+3)	PL480/665 etc. assistance		Grand total
				Repay- able in rupees	Repay- able in convert- able cur- rency	
1	2	3	4	5	6	7
A. Authoriza- tions up to the end of Third Plan						
	3808.8	392.0	4200.8	1510.8	—	5711.6
1966-67	1034.1	79.9	1113.8	392.7	—	1506.5
1967-68	398.5	16.8	415.3	235.9	67.6	718.8
1968-69	753.1	68.4	821.5	71.6	53.7	946.8
1969-70	421.8	26.0	447.8	73.6	112.9	634.3
1970-71	705.4	56.5	761.9	—	—	761.9
1971-72	774.5	36.0	810.5	22.5	96.2	929.2
1972-73	639.6	36.6	676.2	—	—	676.2
1973-74	1129.5	41.1	1170.6	—	—	1170.6
1974-75	1481.4	189.8	1671.2	—	—	1671.6
1975-76	2192.8	440.7	2633.5	—	20.0	2633.5
1976-77	806.7	386.6	1874.2	—	93.6	1286.4
1977-78	1536.6	337.6	1874.2	—	22.8	1897.0
1978-79	1894.6	441.1	2335.7	—	—	2335.7
1979-80	1295.1	564.4	1859.5	—	—	1859.5
1980-81	3771.2	68.7	3839.9	—	—	3839.9
1981-82	2633.0	210.4	2843.4	—	—	2843.4
Total	25276.7	3391.9	28668.6	2307.1	446.8	31442.5

vest abroad is in nine countries—Brazil, Mexico, Venezuela, Argentina, Bahamas, Nigeria, Indonesia, South Korea and the Philippines. In 1980, US corporations' investments in enterprises in the Bahamas, whose population is hardly two lakhs, amounted to 162 million dollars, while in India, with a population of nearly 70 crores, it was only 28 million dollars.

Nonetheless, the aim of the major capitalist countries is to keep the developing states economically dependent on them. Thus, they are evolving new and subtler steps to move the 'periphery' closer to the imperialist centres of power. Therefore, those countries in the periphery of the world capitalism, which are struggling.

to become economically independent and self-reliant have earned the wrath of the DMEs. Consequently, a country like India with its strategic geopolitical position, manpower, natural resources and market, adopting a course other than what the centre of world imperialism, that is American imperialism, had visualised for it, is something that evokes intense reaction.

Needless to say that important changes have taken place in this sphere. For example, the forms and methods of export of capital to developing countries have changed considerably. The postwar period of such change could perhaps be divided into three main phases: The first was a temporary scaling down of private overseas capital, including monopoly capital, in the former colonial and semicolonial countries. This was linked with the upsurge of the national liberation revolutions, the backflow of part of the investments to the colonial powers, the adoption of concrete measures to establish control over national and foreign monopolies and partial nationalisation of the latter's property. The second phase was marked by the emergence of economic neocolonialism with new state monopoly forms of the export of capital and the beginning of the 'regearing' of private foreign monopoly capital in developing countries. The third phase witnessed the full scale expansion of transnational, monopoly capital.

Largescale export of state monopoly capital to developing countries, a practice which became widespread since the mid-1950s, is a fundamentally new phenomenon, connected both with the changed international conditions and the internal structural shifts in world capitalist production and exchange. The problem of export of capital could no longer be considered apart from the general course of the struggle between the two world systems and, therefore, came to be determined primarily by the policies of imperialist countries.

During the second half of the 1950s, and most of the 1960s, the bulk of the capital from developed capitalist states went to developing countries in the state monopoly form, as: (a) free state subsidies and easy term loans and credits on a bilateral (inter state) as well as multilateral (through international organisations) basis; (b) state loans and credits also made available on a bilateral and multilateral basis but on commercial terms. The first of these two forms came to be known as 'official aid'. Western publications also

consider the second type of the export of state monopoly capital as 'aid', a concept without the slightest scientific or economic grounds, because the only difference between that type of export of capital and ordinary private capital is one of form. In essence, the state or international financial organisations empowered by a number of states, such as the International Bank for Reconstruction and Development (IBRD), the International Monetary Fund (IMF), are "the personification of the total national capital" which offers monetary and material resources on ordinary market terms.

However, neocolonialist policy contains two closely interconnected and interacting elements—all manner of state 'aid' and the expansion of private monopoly capital. The latter, termed as 'private aid' in the West, has been growing of late in view of the intensifying anti-imperialist struggle in the developing countries. In the 1970s, private monopoly investments in third world countries by the five leading capitalist states—the US, Japan, the FRG, France and Britain—were 50 to 200 per cent higher than the amount of state 'aid' offered to young states in the sixties. Transnational corporations (TNCs), wielding the main levers of control over international markets of capital, commodities, manpower, modern machinery and technology, have been the most active in carrying out neocolonialist plans. Their foreign subsidiaries alone exported more than sterling 400,000 million worth of goods, which exceeds Latin America's GNP by over sterling 40,000 million. The largest of them include the American companies Exxon Corporation, International Telephone & Telegraph, International Business Machines and General Motors, Great Britain's British Petroleum and Imperial Chemical Industries, the FRG's Volkswagen and Bayer, Switzerland's Nestle, Holland's Philips, and Japan's Hitachi. Some of them have entered the Indian economy.

Professor James Petras of New York University vividly describes the role TNCs are playing in contemporary capitalist world. Transnational companies, he writes, do not need to exercise territorial or political control at all. Nor do they need by any means to hold client states in complete dependence. They owe their flexibility in the main to the character of goods and services they offer. Their assets are mobile and can easily be transferred with the first sign of the political danger.

Using the flow of capital to newly free countries, international corporations seek to set up a system of production—financial, trade—economic and scientific technological relations, to enable them not only to derive profits from these countries and exploit their resources, but also maintain them as dependent appendages of the western world. The export of capital by international monopolies is an instrument of gradual and widescale penetration into newly free states with a view to paralysing their struggle for economic independence, restructuring international economic relations and democratic principles. World capitalism subsequently turns them into 'future partners'.

A document by a group of socialist states submitted to the fifth UNCTAD held in Manila in May 1979, indicated that international monopolies actually interfered in the internal affairs of recipient countries, violated their sovereignty over natural resources and introduced disorganisation in the implementation of their economic and social policies and development plans. Worse still, TNCs often used their economic and research potential for exerting economic and political pressures on recipient countries. In this respect these corporations constitute the material foundation of neocolonialism, a system of international relations based on inequality, diktat and exploitation.

Nineteen hundred and eightythree saw a further aggravation of the general crisis of capitalism in the West. Economically the year proved dismal for the overwhelming majority of the developed countries. The GNP is estimated to have grown by only one or two per cent. Although their industrial output grew by two per cent, it failed to match the figure of five years ago. Unemployment went on growing from year to year.

The GNP of western Europe in 1983 is estimated to have remained at the level of 1982, and industrial production to have dropped by about one per cent. For West Germany, France, Italy, the Netherlands, and Belgium 1983 was the fourth year of decline in industrial production or even stagnation. Although industrial output in Britain showed growth in 1982 and 1983, it only regained the level of 1973. In assessing the situation in industry, which constitutes the main economic sector of western Europe, it should be stressed that in the preceding nine years, industrial output decreased in five years and rose only in four years. As a re-

sult, industrial output in 1983 was just above the 1973 figure, but three or four per cent below the level of 1979.

Boundless pessimism is expressed over the prospect of industrial growth and general business revival in western Europe. According to Common Market forecasts, the GNP of EEC ten in 1984 would grow by as little as 1.5 per cent, meaning stagnation as earlier.

In 1983, the USA registered an increase in industrial output, which went up by about four per cent. However, this was a rise only with respect to the output that had fallen by more than eight per cent in the previous year. As a result, in 1983 US industry failed by four or five per cent to return to the level of 1979. Despite considerable rise in the output of cars, building materials and some other goods, these industries did not rise to the indices they registered in the late 1970s.

Some US economists say that US economic upward trends are not quite sound, to put it mildly. The *Business Week* noted that industrial output was growing under the impact of big defence expenditures. In 1983, US arms manufacture jumped up by 12 per cent and continues to grow. The illusion of recovery is created largely by billions of dollars that reach the accounts of huge corporations through Reagan's militaristic budgets.

Most economists say that the duration of the recovery in America will depend on the state of US public finance. Under Reagan, budget deficits reached unprecedented proportions. In 1983, it was 195.2 billion dollars, although even 110 billion dollars had been considered dangerous in 1982. Americans ask themselves how Reagan intends to improve the state of public finance, if he has increased by almost four times the 50 million dollar deficit he had inherited from the previous administration.

Thus the deepest cyclical crises after the Second World War, those of 1973 to 1975 and 1980 to 1982, have left behind a heavy load of unresolved conflicts and outstanding problems. The recovery of production which has begun in 1983 and 1984 has been extremely uneven and lopsided. According to official statistics, the number of totally unemployed in the US early this year has been eight per cent of its labour force while in western Europe, it has exceeded 10 per cent, on an average. Unemployment in industrialised capitalist countries all told, is expected to top 33

million by mid-1984. The trade unions put the figure far higher. The most essential thing is that much of unemployment is structural, that is, long term vacuum resulting from permanent closure of old businesses, winding up of old production units, and from the process of manpower being displaced by new labour-saving technology. The supplanting of living labour, typical of the capitalist mode of production, is manifesting itself in full measure today.

Even in the context of cyclical recovery, there are some major sectors which are still in a state of deep crisis and stagnation. The situation in such sectors as iron and steel, motor industry, ship-building, chemical and textile industries, differs from country to country. Yet, it is distinguished almost everywhere by the reduction of productive capacities, dismissal of new groups of workers, and a substantial lag of output behind the peak levels achieved in the 70s.

The cyclical crises have, furthermore, left unresolved the problem of stupendous budget deficits amounting to between five and ten per cent of the GNP or even more. The US federal budget deficit will reach 200 billion dollars in the next fiscal year, that is, about as much as is expected to be spent on the arms buildup. Today military expenditures, an unbearable burden on the economy, are covered for the most part by paper money and a swelling public debt. The pundits of Reaganomics and Thatcherism see 'nothing wrong' about it; they regard budget deficits running into many billions, as well as millions of unemployed labourers, as an indispensable condition for the prosperity of monopoly capitalism. Yet, it is fraught with the danger of further upheavals in actual reproduction. Nor is there any letup in the tragedy of growing foreign debts of the developing nations which now add up to 700 billion dollars.

In 1970s and 1980s, the developing countries launched a joint attack on the system of neocolonialism in the sphere of international economic relations, the restructuring of which has become the subject of a fierce struggle. However, the few concessions won by the newly free states from world capitalism are brought to nought by the activities of the transnational corporations and imperialist powers. For the developing countries, the meeting of the heads of states or government of 22 leading western and develop-

ing countries in Cancun, Mexico in autumn 1981, was a failure, although the advocates of a new international economic order expected much from it.

At the UN General Assembly the newly free states voice vehement criticism of the USA and its partners who intend to delay the start of 'global negotiations' on the most acute international economic problems. They insist on an immediate start of these talks at the UN with no strings attached. The developing countries demand the elimination of discrimination in trade, which leads to the closure of western markets for them, an increase in western financial aid, a reform of the currency system in their favour, the cancellation of their foreign debts, etc.

The concern of the developing countries is easy to understand, for the existing mechanism of international economic relations had been created at a time of the undivided rule of the imperialist powers, when most of the third world countries were in colonial or semicolonial dependence. The changes that have taken place in the world since then call for a radical revision of the international economic order, which must be adapted to the goals and objectives of the international community as a whole. Without such a revision, the developing countries will be unable to strengthen their political independence.

A thorough discussion of the pressing economic problems of the nonaligned world took place at the Seventh Summit in New Delhi. The conference stressed again that the elimination of inequality and injustice in the current international economic system and the establishment of a new international economic order are part of the people's struggle for political liberation and social emancipation.

The New Delhi conference denounced the attempts of the West, the USA above all, to sabotage the UN decision regarding global negotiations on the key problems related to a new economic order. The final declaration of the conference unambiguously condemned the policy of trade sanctions, blockade and other forms of coercion and blackmail practised by the industrialised countries as a means of political pressure and interference in the internal affairs of sovereign states. The delegates reaffirmed the resolve of the nonaligned movement to defend the right of every nation to dispose of its own natural resources as it sees fit.

A relentless campaign at the UN for opening global negotiations has been going on for four years now as part of the struggle for changing international economic relations in favour of the developing countries. Back in December 1979, the UN General Assembly passed a resolution envisaging talks on problems of energy, raw materials, trade, development and also the currency and monetary situation in the world. The developing countries want the creation of a mechanism in international economic relations which would take into account their interests and not be merely a source of enrichment for western monopolies. They demand that the western countries turn over to them part of the material and financial means which were taken by the imperialist powers from the colonial countries in the past.

However, the present US administration is indifferent to these demands, taking care at the same time to avoid an outright conflict with the developing countries. Thus, the United States has greatly sliced its loans to the developing countries through government channels. The lion's share of American 'aid' goes to Israel, Egypt, El Salvador and other countries such as Pakistan which are 'solid' allies of the US in the developing world.

The US administration has declared that the developing countries should rely on "individual initiative and private enterprise", including that of US companies. The purpose of such assertions is to convince the leaders of the newly free states that a reduction of US government 'aid' can be compensated for by an inflow of US private capital to their great benefit.

But the true aim of private capital activity in the developing countries is different. Between 1976 and 1980, direct private investments of US companies in the developing world grew by sterling 26.4 billion. Part of this sum—sterling 14.8 billion—consisted of reinvestment. In other words, within those five years the actual export of capital was sterling 11.6 billion. Over the same period the profits of US companies shipped back from the developing countries to the United States amounted to sterling 31.8 billion.

Driven by selfish interests, the US administration blocked the start of global negotiations at the 35th and 36th sessions of the UN General Assembly. Without openly opposing the developing countries' proposals, it began to emasculate the anti-imperialist

essence of the Group of 77's proposals on restructuring international economic relations.

The American administration employed similar tactics at the 37th General Assembly also. For fear of being isolated, it made the opening of global negotiations conditional on a host of reservations. The US secretary of state George Shultz said at the UN session that "America is prepared to go to work on the global agenda", which in actuality meant its intention to drown global negotiations in a flood of preparatory consultations on the agenda. According to *The Wall Street Journal* "...the best way to kill global negotiations is to actually drown them and let the General Assembly talk itself hoarse for the next 10 or 15 years...if we don't go along we will become 'isolated' from Europe and the third world."

While showing a readiness to "go to work on the agenda", the United States advances preliminary terms for the start of global negotiations, which undermine the very idea of the talks and stultify the developing countries' demand to restructure international economic relations. The US terms were set forth most openly in the speech by the US President Reagan at the Cancun Summit, Mexico, in October 1981. "We propose an agenda," the President said, "composed of trade liberalisation, energy and food resource development, and improvement in the investment climate." "The talks," he pointed out, "should respect the competence, functions and powers of the specialised international agencies upon which we all depend with the understanding that the decisions reached by these agencies within respective areas of competence are final. We should not seek to create new institutions."

The President made it quite clear that he was opposed to the demands of the developing countries that the financial policies of the International Bank for Reconstruction and Development and the International Monetary Fund, instruments of US neocolonialist policy in Asia, Africa and Latin America, should be changed and, therefore, he would prevent a discussion of this question at global negotiations.

In the view of US officials, the purpose of negotiations must be not a transfer of resources from industrialised to the developing countries but the stimulation of international trade by opening new markets, preserving capitalist laws of free competition, laws

which, in the opinion of the developing countries, must be changed.

It is symptomatic that the justness of the young states' demand that the "laws of the free market", which have taken sharp root in the capitalist world, must be changed was recognized by French President Francois Mitterrand. "To preserve the market laws in the North-South relations," he observed, "means to allow the stronger nations to shift the burden of the crisis on the weaker ones."

Addressing the 37th General Assembly, US secretary of state George Shultz spoke of the necessity of reducing government interference in the market. "Prospering today," he said, "are the industrialised countries whose markets are more free and open."

Yet, in the present conditions not only the newly free countries with weak economies, which need the protection of their governments, but also many capitalist countries with developed economies do not wish to open their markets to US capital.

Long before she was assassinated Indira Gandhi declared in a speech at Aurangabad that "India, never cared, does not care and will not care" for those countries which backed military dictators of Pakistan and had "never taken kindly to India's achievements in various fields." Later addressing the United Nations General Assembly in her capacity as Chairperson of the 101-nation Non-aligned Movement on September 28, 1983, she said that "unfortunately over the past three years, procedural hurdles to the launching of the global negotiations had not been overcome. The Williamsburg Summit and UNCTAD VI had shown once again the fear of the unfamiliar, of lowering easy and safe existing protective barriers and releasing restrictive rules." Indira Gandhi pointed out that "continued disparities also aggravate political tensions and lead to instability. The strong, with the help of the rest of the international community, can think of measures to contain the enormous potential which gives them illusions of strength but whose very power is troublesome."

In a forthright manner, Indira Gandhi warned that "this is our last chance of appealing to the old and the entrenched not to infect the new with its diseases, neocolonialism, monopoly, economic oppression, class divisions and big power rivalry. Also the idea

that power is invincible and can feed on itself, with militarisation as the ultimate tool."

This was the voice of not only self-reliant India but of the entire community of the developing countries.¹¹

Again in the beginning of 1984, Indira Gandhi said that the United States cultivated dictatorships around the world while displaying indifference and a double standard towards India. "They do not seem to be bothered about India," she underlined. It was in this context that she pointed out that a major problem in Indo-US relations was the reduction of the American contribution to the United Nations and western dominated international credit institutions because "it seems to be done in a way that hits India".¹²

One could thus see how Indira Gandhi was determined to resist neocolonial pressures, a determination that sharpened India's contradiction with the American imperialism.

11. *Deccan Herald*, September 29, 1983.

12. *The Times of India*, New Delhi, January 23, 1984, an interview with the *Associated Press*.

FIVE

India in US Perception

American policy towards India started shaping during the Second World War itself, coinciding with the decline of British imperialism and the rise of American imperialism as the leading force in world capitalism. President Roosevelt's representative William Phillips arrived in New Delhi on 8 January 1943, to study the Indian situation. He met several prominent Indians belonging to different religions, groups or parties including Rajagopalachari, Tej Bahadur Sapru, Jayakar, Jinnah, Shyama Prasad Mukherji and Savarkar. He also wanted to meet Gandhiji and sought the Viceroy's permission. But this special representative was not permitted to meet Gandhiji. Churchill, who was England's Prime Minister, had made it abundantly clear to Roosevelt that he had no intention of losing India, come what may. Nevertheless, the American press became hostile to India's demand for 'British withdrawal at a period when the British were fighting with their back to the wall.'

Naturally, Jawaharlal Nehru and Gandhiji became indignant over this stand of the American ruling circles and rightly concluded that America's support of the right of the subject nations to self-determination was a mere facade. Robert E Sherwood in his classic *Roosevelt and Hopkins* has reported that at the meeting of the big three in Teheran, Roosevelt told Stalin that reforms in India should begin from the bottom and according to him the American President cautioned Stalin not to bring up 'the problem of India with Churchill.'¹ Though the Soviet Union in keeping with its policy, continued to extend its support to our struggle for political independence, the fact that diplomatic relations between India

and the USSK were established on April 13, 1947, even before the formal declaration of India's independence, in itself was a significant development.

Indo-American relations on the other hand made a poor start in the early 1940s. They did not take off appreciably even in August 1947. Roosevelt was dead and Harry Truman who succeeded him was a racist, an imperialist, a neocolonialist and a Dulles-McCarthy brand anti-communist. Between him and India's Jawaharlal Nehru, there was little in common. The heads of state of the two countries represented viewpoints that were completely opposed. Jawaharlal Nehru was profoundly influenced by Gandhiji and was a votary of non-violence and peace. Truman, on the other hand, planned a showdown to compel the Soviet Union to withdraw from the territory of the European countries. But in this he met with no success. The Congress rejected his plan for a universal military training and a peace time conscription, demonstrations and unrest among US armed forces overseas, compelled Truman to call home large numbers of troops.

Jawaharlal Nehru, the Prime Minister of a newly independent state, was not anti-communist. In contrast, Truman and his advisers—Dulles, Acheson, Averrel Harriman, George Kenan and others—were obsessed with the threat of communism. In 1947, the American President formally launched the cold war in his 'Doctrine' speech. It was an ideological crusade against Soviet communism. While Jawaharlal Nehru had a deep distrust of western capitalist powers, and supported and unequivocally stood for the liberation struggles of subject nations against their colonial rulers, the Truman Doctrine was an 'open-ended commitment to contain armed revolutions wherever they developed'. Jawaharlal Nehru gave his moral support to struggles against colonial powers; Truman supported counterinsurgency in Greece, Vietnam and elsewhere. Jawaharlal Nehru was opposed to the division of the world into blocs—the capitalistic bloc of 'free countries' and the Communist bloc.

Truman and his aides actively engaged themselves in canvassing support for the 'free world' led by the United States. According to the American government and press, those countries that were

1. M.L. Gujral, *US Global Involvement*, 1974, pp. 270-271.

not with them were against them. non-communist states which did not join the 'free bloc' were supposed 'overtly or covertly to reinforce the objectives of the communist bloc'. This view was popularised by American officials and propagated by important newspapers like the New York Times. In the great struggle of ideologies, John F Dulles regarded India's refusal to commit itself to the concept of 'free world' as 'immoral'. While Jawaharlal Nehru condemned military pacts, Truman created NATO at a time when (according to George Kenan) "there was no need for the NATO build up at all".

In the American policy-makers' perception, it was tremendously important to keep India on their side. This was clearly spelt out by US Ambassador Henry F Grady on December 7, 1947.² American policy towards India in the late forties, though at a formative stage, had already developed certain contours. Its primary objective was to influence India's stand on the international affairs, specially when the US was engaged in building an anti-Soviet bloc and at the same time containing liberation movements in Africa and Asia. India was important not only because, together with Pakistan, it is as big as Europe and has tremendously big population, but because its stand on world affairs influences strongly the stand taken by other Asian nations.³

Jawaharlal Nehru made it clear that India would take an active concern in world affairs, pursuing an independent policy compatible with her own national interests. However, the foreign policy of a newly independent nation does not emerge overnight, and with the general directions clear in his mind, Nehru set about building up India's foreign policy brick by brick. And as he set about this task, he clashed with the American policymakers. It is astonishing, complained an irritated Nehru, how naive the Americans are in their foreign policy. It is only their power that carries them through, not their intelligence or any other quality.⁴

However, till the late forties, although India was important in political terms, Kuomintang China and Japan attracted greater American attention. US policy in this period was directed to build

2. *New York Herald Tribune*, December 8, 1947.

3. *India—Oriental Third Force*, November 16, 1951, US Defence Forces Information Division bulletin.

4. S Gopal, *Jawaharlal Nehru : A Biography*, Volume 2, New Delhi, p. 44.

economic and political pressures on India with a view to mould and influence its foreign policy. This effort, however, proved to be counter productive. In fact, almost within two years after India became independent, Indo-American contradiction started sharpening itself, primarily because under the leadership of Jawaharlal Nehru, India started asserting its sovereignty in international affairs. Early in 1949, the United States began building pressures on India to temper its support to the liberation movements. On January 1, 1949, Jawaharlal Nehru attacked western and American aid to the Dutch imperialists. He demanded Dutch withdrawal from Indonesia and stoppage of all aid.

In 1949, another world shaking event took place—the defeat of the American supported Chiang Kai-shek regime. Where, then, shall we look for allies, now that Nationalist China, the Netherlands and France are so manifestly unable to play the role in Asia which we had supposed they would play? That seems to be the fundamental problem which has to be solved in order to evolve an American policy in Asia, asked the policy makers in Washington.⁵ An increasing number of American foreign policy experts started arguing that India with her economic and military potentialities had become the key to successful United States foreign policy in Asia.

After a high level discussion between American and British experts in Asia, at which British foreign secretary Bevin and American secretary of state Acheson were also present, it was decided that India should become the main base for the development of US foreign policy for Asia because it provided unparalleled opportunity to make up the ground lost in Asia. After the communist victory in China, a drive should be launched to make India—not Pakistan—a major sector of the United States world policy.⁶

It was after this assessment by the American experts on Asia that Jawaharlal Nehru was invited to visit the United States from October 11 to November 7, 1949.

Thus at the end of 1949, a new perception about India's role in Asia emerged among the American policy makers. This concept revolved around the following objectives:

5. Walter Lippmann, *New York Herald Tribune*, January 10, 1949.

6. *Sunday Compass*, New York, October 9, 1949.

- (a) Eurasia rimland countries—from Britain all the way to Indonesia—must work together against the heartland countries around the USSR.
- (b) US needs Jawaharlal Nehru's help to weld India into the maritime ring around USSR-China heartland.
- (c) As communism solidifies in China and becomes an increasing threat to Southeast Asia, India looms large as democracy's firmest bulwark in the East.⁷

Some experts even predicted that the United States will negotiate with Jawaharlal Nehru for lease of air bases. Such forecasts appeared even in a section of the British press, such as the *Daily Graphic* in London.

To pressurise India to play this role in Asia, both Washington and London, wanted to use the 'Kashmir card'. But Jawaharlal Nehru defended India's sovereignty and independence with unmatched determination. He stated publicly that his government had rejected the proposal for arbitration which Truman and Attlee had pressed on him, and asserted that Indian troops would not be withdrawn from Kashmir unless the people of that state desired it and the Government of India was satisfied that the safety of Kashmir would not be endangered. He also rejected the advice of Mountbatten that India should make further concessions. So the Kashmir problem remained as insoluble as ever and perhaps there was more tension than ever before. For this Jawaharlal Nehru attributed considerable responsibility to what appeared to him to be the lack of fairness shown by the United States. Yet, he did not cancel or postpone his visit.

Jawaharlal Nehru it appears was keen to explore the possibility of getting American assistance for India's economic development. Nonetheless, he was clear in his mind that he would not pay the price for this assistance by making India subservient to the foreign policy of the United States. He knew India's strength and said in a letter he wrote to the chief ministers on October 2, 1949: "India has much to give, not in gold or silver, or even exportable commodities, but by virtue of her present position. It is well recognised today all over the world that the future of India be-

7. *Business Week*, New York, October 22, 1949; *New York Times*, October 23, 1949; *New York Herald Tribune*, October 27, 1949.

comes more and more the pivot of Asia."⁸

Nevertheless, this visit was a disappointment both to New Delhi and Washington, because as Jawaharlal Nehru himself put it, "they had gone all out to welcome me. But they expected something more than gratitude and goodwill and that more I could not supply them." During his visit, he repeatedly explained that India's detachment in the cold war did not imply isolation and indifference on basic issues. Nonalignment did not exclude commitment to principles. He told a joint session of the American Congress that "where freedom is menaced or justice threatened or where aggression takes place, we cannot and shall not be neutral." Total agreement with what all the United States said or did was not necessary in order to establish India's binding faith in basic values and her unfailing endeavour to ensure them. When man's liberty or peace is in danger we cannot and shall not be neutral, neutrality would be betrayal of what we have fought for and stand for, he repeatedly told the American people.⁹

As a matter of fact, the American and other western diplomats were extremely upset over the forthright stand Jawaharlal Nehru took in his speeches. In their view, the visit was a failure because influential Americans had rubbed Nehru the wrong way. Nehru too had rubbed them the wrong way. Dean Acheson, then secretary of state, was one of them. Acheson had arranged that Nehru and he would meet by themselves after an official dinner to have a private talk. The talk lasted two and a half hours but Acheson complained afterwards that Nehru had talked to him as if he was addressing a public meeting. Acheson, therefore, came to the conclusion that Nehru and he was not destined to have a pleasant relationship because he was one of the most difficult persons to deal with.¹⁰ Resinger Lawrence, an American commentator, observed that after Nehru's visit, Indo-American relations "Had not yet jelled." It will not be incorrect to say that it was after this visit of Jawaharlal Nehru, that American policy makers started reassessing their country's policy towards India and working out new parameters, primarily because they found in Jawaharlal Nehru not

8. S. Gopal, *Jawaharlal Nehru: A Biography*, New Delhi, pp. 58, 59.

9. *Ibid.*, p. 61.

10. Escott Reid, *Envoy to Nehru*, New Delhi.

only the tallest leader of the Indian people but a determined spokesman of all the people who were struggling against imperialism. With this began a new phase in Indo-American relations.

But within a few weeks, the Korean war took a new turn. The US had furnished additional military supplies to South Korea, had ordered its air and sea forces to cover and support South Korean troops, had placed the US Seventh Fleet in the Formosan Straits and accelerated military aid to the French in Indo-China. The UN Security Council passed a second resolution calling for collective action against the aggressor. India, not wanting to support US preparations for expanding the area of combat, hesitated for a time but ultimately accepted the 27 June resolution in its purely Korean bearing.

Indian public opinion was outraged at the ruthless ways of American warfare in Korea. It began to conclude that American policy in Asia was not a series of isolated and mistaken moves, but a pattern of action based on a complete lack of concern for Asian lives. This opinion spread widely among the small but influential intelligentsia. It was expressed, for instance, at the Institute of Pacific Relations Conference held in Lucknow early in October 1950. Several delegates made it clear that hostility in Asia to the West is often directed against the United States rather than Great Britain. These beliefs among the peoples of Asia were noted: the United States is extending its bases too far into Asia; the United States intends to fight Russia on Asian soil—Korea being an example; the United States is willing to use the atom bomb on Asia but not in Europe; the United States regards the people of Asia as expendable and is indifferent to the loss of Asian life in war; the United States led the United Nations to act quickly in Korea because of its own strategic self interests.¹¹

Throughout this period, India made persistent efforts to get Beijing seated in the United Nations.

Apart from these developments, an unsuspected circumstance of Indo-American conflict cropped up in the summer of 1951. A US-UK draft of a Japanese Peace Treaty was received by India and

11. Institute of Pacific Relations, *Asian Nationalism and Western Policies* (mimeographed), p. 34.

she was invited to attend a conference in San Francisco where the treaty was to be signed. India had three major objections to the signing of the draft. First, Japan was denied full sovereignty under the terms of the treaty and the Ryuku and Bohin islands remained under US administration; secondly, the US-Japanese security arrangements formed part of the document and were a threat to peace in Asia; and thirdly, the treaty failed to specify the return of Formosa to mainland China. The American administration had no intention to compromise on these issues as they were regarded vital to its strategy in the Far East and Southeast Asia. The pilot of the treaty was John Foster Dulles whose hostility towards India was well known and the indifference he displayed in not consulting with Indian officials accentuated further discord. India did not attend the conference at San Francisco and the acrimonious Indo-American diplomatic exchanges of August and September 1951, continued to act as the proverbial thorn in the flesh.

A number of events in 1953 created fresh strains between the governments of the United States and India. In Kashmir, a new constitution had been drafted by the Constituent Assembly despite Pakistan's protest, reinforced by the Security Council resolution of 31 March, 1951. It reaffirmed the state's accession to India and its autonomy in areas other than foreign affairs, defence and communications. In 1952, Nehru and Abdullah signed an agreement in Delhi confirming Kashmir's unique status as stipulated in Article 370 of the Indian Constitution. The Sheikh had been postponing the ratification of the agreement by Kashmir Assembly. Throughout this period, apart from increased US interest in Kashmir affairs at the United Nations, there was a marked increase in the number of American visitors to Kashmir. They invaded the state as UN officials, as tourists, as missionaries and as students and members of study teams. In the spring and summer of 1953, they were seen in hotels, house boats, in the market places, in the precincts of schools and colleges, cruising in shikaras on the Dal and Nagin lakes and camping on the hillsides of Pahalgam and Gulmarg. The Nehru-Abdullah relations at this time were far from cordial. The Sheikh had shown discourtesy to Maulana Azad and Jawaharlal Nehru. There were numerous anti-India and pro-Pakistani demonstrations in the valley. Adlai Stevenson's visit to the state during this period was not without

significance. A few months earlier, a CIA plot in Iran had resulted in the overthrow of Mussadeq. The Americans were also engaged in the sinister game of ousting India from Kashmir territory. Sheikh Abdullah had sometime in the past discussed plans for an independent Kashmir with an American ambassador and the conversation had been probably overheard. The Americans were at the old game again inciting the Sheikh to aim at an independent Kashmir. Timely intervention by New Delhi led to Abdullah's arrest and the US-Abdullah plan was foiled.¹²

Almost simultaneously, far reaching developments started taking place in Pakistan. After the assassination of Mr Liaquat Ali Khan, the ablest of the lieutenants of Mr Jinnah, in 1951, effective power had come to be exercised not by the prime minister, not by the cabinet or even the Parliament but by the head of the state, Ghulam Mohammad, from October 1951 to September 1955 and after him, Iskandar Mirza, from September 1955 to September 1958. This change in Pakistan coincided with similar changes in Burma and Thailand. In each country, the army became the decisive factor in establishing regimes of military dictatorship. And in each case, imperialist circles, especially Americans who speak sanctimoniously about democracy, about moral values and express horror against totalitarianism, greeted the changes with unconcealed joy.

Thus in the early fifties, America was looking for new allies in Asia to contain China and the Soviet Union. Pakistan's geographical situation, its contiguity to China and its position below Russia's belly was considered ideal for bases from where the US could operate. Pakistan could make little headway in Kashmir with the help of the American bloc. American military aid was hailed by Pakistan, which gave up its nonaligned, uncommitted posture in the cold war. The military aid programme as part of the military alliance with the US was almost entirely negotiated by Ayub Khan who was the Commander-in-Chief of Pakistan forces from January 1951. Nehru deplored Pakistan's decision and warned Mohammed Ali that US aid would stand in the way of demilitarisation and the solution of the Kashmir problem. He explained that the US-Pakistan alliance would work against the geo-

12. M.L. Gujral, *US Global Involvement*, 1975, pp. 289-91.

graphic solidity of the nonaligned grouping of states and destroy the integrity of what he called the 'no-war area' in Asia.

Speaking in the Indian Parliament, Nehru said that India had in her own quiet way worked for and looked forward to that area. Naturally, it had hoped that Pakistan would do the same. "Now if any military aid comes to Pakistan from the United States", he said, "it is obvious that Pakistan drops out of that area...the cold war as it is called, comes to Pakistan, and therefore comes to India's borders". Further, Nehru likened the US-Pakistan alliance to the nineteenth century western imperialist ventures in India where a weak Indian ruler sought and accepted foreign military assistance to increase his own strength relatively to that of his neighbour and in the process "lost his own independence and acted as a vehicle for introducing alien influence into the country".

The military build up of Pakistan by the United States created a serious security situation for India. Its twin objective was, first to prepare a local Asian ground force for possible use against Soviet or Chinese moves in the Middle East and South-east Asia and secondly, according to the explanation given by the then American Vice President Richard Nixon in Karachi in December 1953, to check India's power and influence in the region by acting as a useful counterforce to Nehru's neutralism. According to Charles N Heimseth and Surjit Man Singh "the latter purpose was partially achieved, as American arms created an unnatural and explosive alteration of the power balance in the subcontinent".

In February 1954, when the US-Pakistan Pact was announced, there was widespread consternation and resentment in this country both in government circles and the Indian public. Protest meetings expressing indignation against the United States were held all over the country. And in a White Paper over Kashmir, Nehru said, "We can take no risks now, as we were prepared to take previously, and we must retain full liberty to keep such forces and military equipment in the Kashmir state as we may consider necessary in view of this new threat to us". He openly affirmed that the US-Pakistan agreement had changed the entire complexion of the Indo-Pakistan conflict and, withdrawal of troops from Kashmir and holding of a plebiscite had become impossible.

President Eisenhower sought to assuage Indian fears in his letter, dated 24 February, 1954, to Nehru in which he assured the Indian Prime Minister that the arms to Pakistan were not intended to be used against India.

In 1954, Pakistan joined the Southeast Asia Treaty Organisation (SEATO). The organisation drew its inspiration as well as strength from the United States and used the terrain of its Asian members—Philippines and Thailand in the south and Pakistan in the north—as a base of operation against communist countries. It was established to build up anti-communist strength in South and Southeast Asia, to counter the effects of the Panchsheel doctrine and the Indian nonalignment, as well as to keep in check the spread of Indian influence in East and Southeast Asia. Nehru regarded it as a threat to peace in the region, firstly, because it acted as a provocation to both Russia and China, whose governments could not allow western powers to assume positions of dominance just outside their borders; secondly, because it would curtail the independence of its small Asian members and finally, because it could prevent freedom of action of non-members in the area. A year later in 1955, British and American efforts produced the Baghdad Pact signed by Iran, Iraq, Pakistan and Turkey, its original members. With the formation of a new government headed by Abdul Karim Kassim, Iraq opted out of the pact which came to be known as the Central Treaty Organisation (CENTO). With Pakistan's membership of both SEATO and CENTO, Nehru rightly complained that India was encircled.¹³

This shows that the early fifties witnessed the birth of American geopolitical strategy for south Asia and the countries of sub-continent, India in particular.

The struggle for control over different regions of the world, which US monopolies have earmarked for markets and military-strategic strong points of their expansion, was a major trend of this policy, which is based on imperial ambitions and unbridled militarisation. Such regions, however far they might be from the American shores, were unceremoniously declared by Washington to be 'zones of US national interests' which served as pretext for building up US military presence in the countries of these

13. *Ibid*, pp. 291-293.

'zones'. They are being supported militarily, notwithstanding the fact that they are unpopular regimes. They also serve Washington's interests. The US is seeking in every way possible new and more efficient ways of interfering militarily and politically in the domestic affairs of other states. Said Casper Weinberger, US secretary of defence: "We must strengthen our positions in the world with the help of arms."

US imperialism is particularly active in South Asia, a region where its military presence grows year in and year out. For a number of reasons Washington has assigned South Asia an exceptionally important role in its aggressive schemes.

First, this is a region with immense natural wealth and inexhaustible human resources, which distinguishes it from many other regions that attract the attention of foreign investors—pioneers of imperialist expansion. *Grand Strategy* for the 1980s, a book published in Washington by a group of former prominent military leaders, claims that US prosperity today is linked with the Pacific and Indian Ocean countries. US economy, the book says, is the main consumer of raw materials from the East and of the commodities produced in Asian countries; the United States is banking on Asian markets for its exports and capital investments. These designs have never been of a peaceful nature, since expansion requires the use of force. It is not by chance that, even prior to the recent election which brought Ronald Reagan to power, the election platform of the US Republican Party contained an assurance that the new Republican administration would restore America's role in Asia and in the Pacific.

Second, East and Southeast Asia, which are close geographically to the US, is a region where national liberation movements have scored impressive successes, namely the victory of the people's revolution in China, the winning of independence and the embarking on the road of socialism by the Indochina countries (Vietnam, Laos and Kampuchea), the emergence of the people's democratic system in the Democratic People's Republic of Korea, and throwing off of the fetters of colonialism by a number of countries of Southeast Asia and above all the independent path of development India is following. The United States and other imperialist powers are going out of their way to rub out the latter's gains, and to reverse the course of history so as to have the opportunity

to plunder without obstacle the peoples of Asia.

Third, whatever importance Washington might attach to the economic and other above mentioned considerations in formulating its policy vis-a-vis this region, it proceeds first and foremost from the fact that South Asia and Southeast Asia, as the American brass hats put it, are a convenient bridgehead for delivering blows to the most important economic and political centres of the USSR and other socialist countries of this region that are far away from Europe and America.

Fourth, the US economic and diplomatic activities, as well as its military presence in the region, are aimed at keeping within the framework of imperialism's military system all countries which it presently controls. Washington interferes unabashedly in their internal affairs, forcing them to do what it thinks fit, and preventing them from undertaking democratic changes.

Since nonaligned and self-reliant India had refused to become American imperialism's 'firmest bulwark in the East', it and its leaders have earned the wrath of the Pentagon. That is why in the early fifties itself Jawaharlal Nehru became its main target of attack. Pandit Nehru purports to speak for Asia, but it is the voice of abnegation; his criticism now turns out to have been obstructive, his policy is appeasement. "Worst of all one fails to find a valid moral judgement in his attitude. One can feel certain that history will condemn the Nehru policy as well intentioned but timid, short-sighted and irresponsible....He is doing wrong to the cause of freedom, of Asian nationalism, of justice and right", wrote the New York Times in an editorial 35 years ago, that is, on October 12, 1950. Abuse was coupled with pressure when India sought a loan of wheat. Tom Conolly, chairman of the American senate committee on foreign relations, rather bluntly said that action on the Indian request for wheat loan would be delayed until a sub-committee "looks into the whole question of US relations with India".

These strains reached a climax in August 1951, when the Indian government refused to sign the American draft of the Japanese Peace Treaty. Jawaharlal Nehru was called the 'Lost Leader' and one who was a 'saboteur'.

On August 28, 1951, the New York Daily Mirror accused Nehru of 'Asiatic intrigue,' and charged that "one of the enemies of this

country is the India of Nehru."

The New York Times declared in an editorial:

"Jawaharlal Nehru is fast becoming one of the great disappointments of the postwar era....To the West, he seemed (a few years ago) a logical champion of a free, democratic, anti-communist Asia, and the India he directed was the obvious candidate for the leadership of Asia....

"Instead of seizing the leadership of Asia for its good, Nehru turned aside from the responsibilities, proclaimed India's disinterestedness, and tried to set up an 'independent,' third force. India, suspended in midair between the two decisive movements of our day—communism that Russia heads and democracy of which the United States is the chief champion."

As long as Jawaharlal Nehru was alive, the American policy makers continued their campaign against him, sometimes overtly and sometimes covertly.

SIX

The Nehru Era: India's Foreign Policy in the Making

Jawaharlal Nehru laid down the parameters of India's foreign policy long before its political independence. From the early days of his participation in the anti-colonial struggle, he had come to acquire a world outlook and to him nationalism was a "narrow and insufficient creed". "Socialism is...for me not merely an economic doctrine which I favour" he said in his presidential address to the Lucknow session of the Indian National Congress in 1936, "it is a vital creed which I hold with all my head and heart. I work for the Indian independence because the nationalist in me cannot tolerate alien domination. I work for it even more because for me it is an inevitable step to social and economic changes. I should like the Congress to become a socialist organisation and to join the other forces in the world who are working for the new civilisation." These perceptions had existed, though in a nascent form, and started taking a concrete shape during the Second World War. The appearance of the dark cloud of fascism on the world horizon horrified Nehru. He looked upon it as a throwback to a barbarous age, as a total negation of human values, as a suppression of the human personality.

He had been consistently opposed to fascism and nazism and believed in some form of collective security to curb their continual aggression. If the other powers cooperated with the Soviet Union, the policy of peace would become unassailable.

Neville Chamberlain's policy of appeasement, therefore, had filled him with disgust, and he held Britain primarily responsible for the collapse of Spain and the destruction of Czechoslovakia. Jawaharlal Nehru's analysis of the situation before the Second World War was that British government were inspired by class interests and were more hostile to Russia than to Nazi Germany. Britain was anxious to protect her own empire and for this purpose connived at nazi aggrandizement.¹

These principles of peace were dear to Nehru, to the country he led and to its people who had struggled for political independence. In his broadcast of September 7, 1946 he said: "...We are particularly interested in the emancipation of colonial and dependent countries and peoples, and in all the races." Thus he threw his entire weight and influence in ensuring that Asia and Africa were liberated from the last vestiges of colonialism. "To expect such a person to play the American game in Asia (to "check communist expansion" as Washington would have it) amounted to living in a make-believe world. Jawaharlal Nehru not only disappointed the American ruling circles but started giving new content to this policy of anti-imperialism by taking one initiative after another.

Even before India became formally independent, Jawaharlal sent out invitations for the Asian Relations Conference. The idea of such a conference had been on his mind from December 1945, and, after preliminary arrangements had been made, he sent invitations in September 1946, to all shades of opinion in the countries of Asia and in Egypt. The Soviet Central Asian Republics were represented; in addition, the Soviet Union, along with Australia, New Zealand, Britain and the United States, sent observers.² And at this conference Jawaharlal Nehru made a historic observation when he said:

"Standing on this watershed which divides two epochs of human history and endeavour, we can look back on our long past and forging links for the future that is taking shape before our eyes An Indian, wherever he may go in Asia, feels a sense of kinship with the land he visits and

1. S. Gopal, *Jawaharlal Nehru: A Biography*, Vol. 1, p. 250.

2. *Ibid.*, p 344.

the people he meets.... For too long we of Asia have been petitioners in western courts and chancelleries. That story must now belong to the past. We propose to stand on our own feet and not intend to be the playthings of others."³

Naturally the entire West was upset over this conference, because (a) it had large potentialities⁴ and (b) the world had a new force to reckon with in the awakened spirit of Asia.⁵

India again took the lead in organising another conference of Asian countries in New Delhi in 1949, to extend moral support to the liberation movement in Indonesia. The Dutch had been encouraged in their aggressive acts with the connivance of western powers—the USA and Great Britain—to suppress this movement. Jawaharlal Nehru described the Dutch actions in Indonesia as the "most naked and unabated aggression".⁶

The next initiative taken by Nehru was to hold the Asian Conference held in 1954, in Colombo, which demanded that an immediate stop be put to imperialist intervention in Indochina. It was at this conference that Nehru came out against the bogey of 'anti-communism' raised by the US to counter the growing anti-colonial movements. It was a mere echo of the 'American thesis', he explained.⁷

In the same period, in a letter to the chief ministers on 14 April, 1954, Nehru said:

*"Asia has been and will continue to be the scene of hydrogen bomb experiments and of war in which Asians will have the unfortunate privilege of experiencing the effects of atomic bombing"*⁸ (emphasis added).

The five prime ministers of India, Burma, Indonesia, Sri Lanka and Pakistan next met at Bogor in the same year (December 28 and 29) to make arrangements for holding the first Afro-Asian Conference at Bandung, to draw up its agenda and a list of its participants. The People's Republic of China was invited

3. *Asian Relations Report*. New Delhi, 1948, pp. 20-27.

4. 5. *New York Times* and *London Times*, March 26, 1947.

6. G. H. Jansen, *Afro-Asia and Nonalignment*, p. 85.

7. *Ibid.*, p. 160.

8. S. Gopal, *Jawaharlal Nehru: A Biography*, Vol. 2, New Delhi, 1983, p. 191.

at the insistence of India. Nehru took the lead in formulating the tasks for the Bandung Conference. In a note he sent to other prime ministers before the Bogor meeting, he suggested that the "whole object should be to create an atmosphere of cooperation and to put Asia and Africa more in the world picture since 'the old balances no longer hold good....' A vision of a grand assemblage of the two continents rather than of an amplified Afro-Asian group was carried by Mr Nehru to Bogor."⁹

The Bandung conference was the first official conference of Asian and African countries destined to have a great impact on world events. The imperialist West, naturally, sounded the alarm. Walter Lippman wrote in the *New York Times* that no illusions should be cherished that the USA and its allies in western Europe would be judges and not defendants at the forthcoming conference. The best comment on western reaction came from Gen. Romulo of Philippines. He said: "That the West was generally apprehensive about Bandung betrays and uneasy conscience a sense of guilt".¹⁰

Messages of goodwill came to the conference from President Voroshilov of USSR and the Presidents of the five Soviet Central Asian Republics. Wrote G. H. Jansen, "the United States Government had not yet emerged from its sulks." As Congressman Powell put it, President Eisenhower had 'stupidly' rejected his suggestion to send greetings; he had a telegram from the state department to prove it, which stated that the department doubted whether the relationship of the United States to the conference 'would warrant a message'.

The Bandung conference was warmly welcomed by the USSR and by other socialist countries. The Soviet foreign ministry in a statement (April 16, 1955) expressed its firm belief that the Bandung conference would enhance the national self-consciousness of African and Asian peoples and promote cooperation among them, help lessen international tension and safeguard world peace.

The Bandung conference which opened on April 18, 1955,

9. G. H. Jansen, *Afro-Asia and Nonalignment*, p. 172.

10. *The Meaning of Bandung*, University of North Carolina Press, 1956.

was attended by 29 Afro-Asian sovereign states. To it came 340 delegates from countries with territories totalling 30 million kilometres (about a quarter of the world's land surface) and with a population of nearly 1,500 million (about two-thirds of world population). Attending the conference as observers were Archbishop Makarios who represented Cyprus, which was then fighting for its independence, and former Mufti of Jerusalem Amin Al Hussein who represented the long suffering Arab people of Palestine. The very fact that conference was so representative was sufficient proof that the western powers had failed in their endeavour of preventing it from taking place. All this turned the conference into a factor of major international importance.

Nehru unmasked the real nature of the efforts made to befuddle the minds of the third world people in order to prevent a full disclosure of the real countenance of colonialism and neo-colonialism of western imperialist powers.

Nehru's speech, supported by other heads of government at the conference, and the vigorous spate of his activities at the camps of Afro-Asian delegations, helped expose colonialism and neocolonialism and thus upheld the role which history had assigned to this first ever conference of its kind. The East European states, he said, could not be described as colonies, for they were sovereign national states, recognised not only by Afro-Asian nations, but also by western powers and, some of them, by the UN as well, of which they were members. Nehru, thus, gave the lead in fighting back western imperialism's bid to detach the third world from the socialist world, to sow strife and discord between them and to continue the edifice of the old international order.

Nehru went to the conference as the envoy of resurgent Asia, proclaiming its indomitable spirit of unity and invincibility, its indestructible solidarity with Africa for the common task of eradicating the common enemy—colonialism—for preventing its reentry directly or indirectly, for disentangling the two continents from the web of western pacts, and for building a new world order based on peace, justice and equality. Above all, he went to Bandung with the desire to assert Panchasheel as a general principle of international conduct, as the only possible

basis of world peace. He told the Indian Parliament that Panchasheel was a challenge to the people of Asia, to the rest of the world and each country would have to give a direct answer. He hoped each country would be asked to say whether it stood for non-aggression and non-interference or not.

The Bandung conference not only formulated and endorsed the principles of relations among Asian and African states but also announced that these principles should form the basis of the entire gamut of international relations. The Bandung decisions promoted the cause of liquidating colonialism which had vitiated the international order and also injected inequality in relations among western states and developing countries. The participants in the conference expressed support for general disarmament; prohibition of production, stockpiling, testing and use of nuclear weapons; dismantling of military bases on the territories of other lands; scrapping military blocs set up by imperialist states.

The Bandung conference was an event of great significance also because it revealed the victory of the trend in Afro-Asian countries towards strengthening their independence and promoting a policy of nonalignment. Nonalignment was not understood in the classical 19th century European concept of noninvolvement but as a dynamic policy directed against imperialism and for national advance. Jawaharlal Nehru said after the conclusion of the conference:

"The common factor was rather against Western domination. Everybody agreed about that. The other common factor was a desire for social progress. Again everybody agreed about that."¹¹

Speaking in the Indian Parliament six days after the conference, Nehru said:

"Bandung proclaimed the political emergence in world affairs of over half the world's population. . . . It would be a misreading of history to regard Bandung as though it was an isolated occurrence and not part of a great movement of human history."¹²

11. T. Mende, *Conversations with Nehru*, London, 1956.

12. Nehru, *India's Foreign Policy*, collection of speeches of Jawaharlal Nehru, New Delhi, pp. 279-280.

Commentators, even of the western school, agreed that nonalignment became the sole basis of 'Afro-Asianism' as subsequent events showed. Bandung proved to be a powerful catalyst in speeding up the establishment and development of active nonalignment, resting on anti-imperialism, which went to form the basis of the foreign policies of Afro-Asian countries. The standard bearer of this developing trend in international relations was Nehru.

This is how, after India had been proclaimed a Republic, Nehru's conception of India's foreign policy took shape as his government carried through various foreign policy acts and established international ties of the new state. His course in this sphere of policy was one of positive neutralism, the foundation of which was India's nonalignment in a world dominated by two opposed camps. At the same time there was no hint of any isolationism in India's foreign policy. On the contrary, while India was still a Dominion it had nevertheless endeavoured to take up its place in the network of international relations, supporting the position of the newly liberated countries.

India's support for the national liberation movements in Africa and Asia, its defence of independent political and economic development in the countries of the third world remained more or less consistent at the time when the Nehru line in Indian politics was taking shape.

India made a considerable contribution to the cessation of hostilities in Korea, although its stand as a non-permanent member of the UN Security Council at the early stages of the conflict in 1952 had not always been consistent. The Indian government opposed the charge of Chinese aggression in Korea, and later actively promoted efforts to achieve an armistice and organise the repatriation of prisoners of war.

India's appeals for cessation of hostilities in Indochina were however more consistent; she helped to bring about the signing of the Geneva agreements and the subsequent partial settlement of relations in that part of Southeast Asia in the period 1954-1956.

In the international arena India consistently called for an end to all types of local conflicts, for enduring peace everywhere; she opposed the creation of military blocs and bases and the sta-

tioning of troops on foreign territory. As early as the beginning of the fifties, Jawaharlal Nehru began to see the implications of the new geopolitical strategy of the Pentagon in Asia.

His position on the question of a peace treaty with Japan, for instance, met with hostility from the western 'cold war allies'. After reading the American draft treaty, Nehru immediately saw in it an attempt by the imperialist powers to legalise the transformation of Japan into their strategic military base against the Asian countries and the Soviet Union.

American and British diplomats made great efforts to draw the Indian Premier to their side, or at the very least to neutralise him. As always, promises of economic aid and direct threats were made, but Nehru pointed out that the American draft peace treaty encroached on Japanese sovereignty and could only worsen the situation in the Far East. He opposed the placing of the two Japanese islands under the trusteeship of the USA, and the stationing of American troops on Japanese territory as foreseen in the draft treaty. He also insisted that the treaty should include the return of the Kurile Islands and South Sakhalin to the Soviet Union, and of Taiwan to China.

After the Indian proposals were rejected by the western powers, the Indian government, in its note of 27 August 1951, announced its refusal to participate in the San Francisco Conference called to conclude a peace treaty with Japan.

India's refusal could not alter the results of the conference, where the majority of votes belonged to the western countries, but Nehru was well aware that the consistent anti-imperialist policy of his government would assist the strengthening of peace in Asia and in the final analysis the consolidation of India's own security.

Chester Bowles, the new American ambassador, a former governor of Connecticut, arrived in Delhi in October 1951. A man of unbounded ambition, he aspired through the mediation of India, which he saw as the key to the rest of Asia, to ensure the leading role of the USA in deciding the fate of a vast area, stretching from Casablanca to Tokyo.

Contrary to his expectations, his first meeting with Nehru was devoid of any trace of friendliness. The Prime Minister spoke coldly and guardedly, giving him no more than twenty

minutes. Nehru, as Bowles later recollected, did not conceal his indignation at the increasingly frequent attempts by the Americans to make him 'dance to their tune'. He gave short answers to the ambassador's questions, and then, falling silent again, gazed boredly out of the window. The conversation was a failure and the dismayed Bowles went back to the embassy at a loss what to say to Washington about his first meeting with the Indian Premier. Was it really for the sake of tropical heat and diplomatic failures that he had left his luxurious home in Connecticut? Nevertheless he continued to strive for a confidential relationship with Nehru, but Nehru always listened politely to his point of view, and then, as if thinking aloud, pointed out to its lack of grounds. This happened every time Bowles tried to defend the American policy of 'rolling back communism' and involving the independent Asian countries in military alliances.

While in the US state department they were still trying to decide whether or not to grant India credit for the purchase of foodstuffs, Soviet ships were arriving one after another in Bombay, delivering grain to India.

The Americans based their hopes of political changes in India on Patel, seeing in him a possible future Prime Minister. But Patel died suddenly in December 1950. A year later there was a shift in the Congress leadership: in the place of Purushottamdas Tandon, a protege of the deceased Patel, Nehru was elected President of the Congress, and now both state and party power was concentrated in his hands.

Putting forward a wide programme of democratic reforms and economic development of the country on a planned basis, Nehru's government held the first general election in India, in which the Indian National Congress won an absolute majority of seats in the Republic's Parliament.

American pressure on the Indian government did not stop. In 1953, John Foster Dulles, the US secretary of state, arrived in India, along with Richard Nixon, then the Vice President. Nehru was disgusted by the condescending mercenary attitude of these high-ranking American envoys. Both of them promised generous economic aid if India would accept the US plan for the creation of an 'independent Kashmir' which would in fact turn

into an American military base.

Nixon bluntly threatened Nehru that in the event of his refusal to compromise, America would be obliged to arm Pakistan and set up military bases on its territory. In his conversations with Nixon, Nehru was coldly reserved and rejected any possibility of military cooperation with the United States. Newspapersmen noticed the lack of warmth in his reception of the American guest.

However, the American government systematically continued to try to persuade Nehru to make political concessions. Soon after Nixon's visit to Delhi, the American President, Dwight Eisenhower, sent Nehru a letter which again repeated the offer of American military aid to India. To it Nehru replied indignantly that if they were to oppose the military aid given to Pakistan and accepted it for themselves, they would be hypocrites and unprincipled opportunists. His government's views, based on the desire to cooperate in the cause of peace and freedom, must be well known to Eisenhower.

He did not yield to American pressure, but the government of Pakistan signed a treaty with America on 19 May 1954, on "assistance in the provision of mutual security". In this way the cold war front was advanced by the Americans to the northern frontiers of peace loving India.

It was obvious to Nehru that the USA, by giving military aid to liberated countries, intended to secure its own interests in Asia, kindling "wars of Asians against Asians". Rejecting a military treaty with the USA, he firmly stated that under no circumstances and on no pretext would he permit the presence of foreign troops on Indian soil, and if any foreign government were to commit any act of aggression against India, she would resist appropriately.

Towards the end of July 1954, the negotiations in Geneva ended with the signing of a treaty on Indochina, and the war, which had been going on for seven and a half years, too came to an end. India's important role in the establishment of peace in Vietnam, Laos and Kampuchea was recorded in the final declaration of the Geneva conference. The Indian representative was authorised to preside over the international commissions set up to observe and monitor the conditions of the truce in all

three Indochinese states.

On the day the truce was signed, Eisenhower declared at a press conference that the USA was actively pursuing discussions with other free nations with a view to the rapid organisation of collective defence in Southeast Asia "to prevent further direct or indirect communist aggression in that area".

Nehru answered quickly and decisively to a corresponding inquiry from the American ambassador in Delhi that India would not take part in the conference due to open in Manila on 6 September 1954, that he opposed the idea of creating military groupings in Southeast Asia and that the conference was an attempt to change the trend towards peace, which the Geneva conference had created.

Subsequently, he was surprised to learn of the conclusion of a treaty on the defence of Southeast Asia. As he wrote later: "I have often wondered...what was the sudden fear that brought these countries together? Was any aggression going to take place? Was the peace of Southeast Asia or the Pacific threatened suddenly? Why was that particular time chosen, just after the Geneva Treaty?" And he came to the conclusion that this treaty only increased tension both in Southeast Asia and in the entire world.

Nehru was aware of the opinion of the Soviet Union, which had declared that the treaty for the creation of SEATO had been concluded in preparation for war and not for the strengthening of peace, and that with its help the western powers were counting on preventing the implementation of the Geneva Agreement on Indochina and on strengthening the position of the colonial powers in Asia.

Indonesia, Burma and Ceylon followed India's example and refused to take part in the pact. As a result, besides America, Britain, France, Australia and New Zealand, the only three Asian countries to join SEATO were Thailand, the Philippines and Pakistan.

The SEATO treaty provided for the intervention in the internal affairs of the member countries in the event of a situation arising in anyone of them that was dangerous for the whole 'defence area'. It was clear that the western powers had ensured for themselves the 'right' to suppress the national liberation

movement in Asia.

On 29 September 1954, Nehru, seriously alarmed by the policy of the USA, made a speech in the Lok Sabha (House of the People in the Indian Parliament) which was full of deep concern for the fate of the world; he revealed the aggressive, colonialist essence of the military blocs set up by the western powers.

"We in India have ventured to talk about an area of peace," he said. "We have thought that one of the major areas of peace might be Southeast Asia. The Manila Treaty rather comes in the way of that area of peace and converts it almost into an area of potential war. I find this development disturbing." He went on to recall the history of the setting up by the western powers of the North Atlantic Treaty Organisation (NATO): "In the first place it developed geographically. Supposed to be the North Atlantic community it spread to the Mediterranean, to the coasts of Africa, to Eastern Africa and to distant countries which had nothing to do with the Atlantic community. . . . When the North Atlantic Treaty Organisation was first envisaged, it was for defence. But gradually we found that it was supposed to cover the colonial possessions of all these powers also. How the maintenance and continuation of the authority of those colonial powers over their dependent countries is a matter of defence of the North Atlantic community is not quite clear to me."

When he announced that the Portuguese authorities had extended NATO's sphere of action to include Goa, the Portuguese colony in India, the members of Parliament were indignant, and cries of "It won't happen!" and "Goa belongs to India!" were heard. "If the North Atlantic Treaty has managed to extend its scope to Goa, I wonder whether the Southeast Asia Treaty will extend likewise. It starts at our doorstep, where might it not go?" he went on.

It will not be incorrect to say that the American policy towards India and Pakistan, particularly that of the Pentagon, started shaping itself in the late forties and in the early sixties. A policy of hostility towards India and 'friendship' with Pakistan began crystallising.

It may be mentioned here that the United States in the earlier stages was influenced by the British attitude towards India and Pakistan and thus her approach towards Kashmir took a pro-

Pakistan posture. The American attitude was also influenced by the views of many British writers. William Barton wrote in *Foreign Affairs* that a decision adverse to Pakistan was likely to annoy the Muslim countries of the Middle East and that the Middle East oil "may well fall into the Communist hands".¹³ Olaf Caroe while emphasising the importance of Pakistan's cooperation in a defence system of South Asia¹⁴ held that the US should recognise this.¹⁵ President Truman emphasised the importance of Pakistan's friendship to the United States and believed its friendship for the West might become an important factor in giving stability to the Near East. Truman considered Pakistan potentially a 'valuable ally' and he was impressed by its location in the Indian Ocean area and by its being strategically situated to control land passes from Central Asia.¹⁶ The American ambassador to Pakistan Avra M. Warren (1949-52) also seems to have influenced the thinking of the state department. In 1952, Warren put forth his plea for enhanced cooperation between the USA and Pakistan and described Pakistan as a 'dependable ally'.¹⁷ Details of arrangements were reported to have been finalised during governor general Ghulam Mohammed's visit to the United States in early November 1953.¹⁸

In the perception of the Pentagon, Pakistan's north western area of NWFP bordering Afghanistan was a strategic point to watch over the Russian territory. After signing the defence pact with Pakistan, the US put up its most powerful communication centre near Peshawar, the capital of NWFP.

Similarly, its populous half, the then East Pakistan, was a vital lookout point for the Southeast Asian system which could be used against China. The better half of Pakistan or West Pakistan being quite close to the Russian Central Asia, could be

13. William Barton, "Pakistan's Claim to Kashmir", *Foreign Affairs*, Vol. 28, January 1950, New York, pp. 299-308.
14. Olaf Caroe, *Wells of Power*, London, 1959.
15. *Ibid.*, p. 185.
16. The Mutual Security Programme : *First Report to the Congress for the Six Months Ending 31 December 1961*, Washington, 1952, p. 29.
17. Avra M. Warren, "Pakistan in the World Today", *Department of State Bulletin* (Washington), 31 June 1952. pp. 1011-12.
18. *New York Times*, 2 November, 1953.

used as a 'watch dog' against the Russians. Such was the obscure thinking in the White House immediately after the partition of the Indian subcontinent. The finale was written during the Ike-Nixon regime. Mr Nixon's visit in 1953, was the curtain raiser for this grand design. Although the outward itinerary of the Vice President was more or less ceremonial of laying a wreath at Jinnah's tomb and usual sightseeing tours, the real import of the visit turned out to be politically sinister. Immediately after Nixon's visit, Pakistan decided to jump on the bandwagon of John Foster Dulles.

Mutual defence pacts and agreements were signed between the two countries. Pakistan became an integral part of the American bloc. This complete sellout by Pakistani rulers came in 1955, and Pakistan allowed a number of American bases on its territory. The Peshawar base, in the extreme west of Pakistan, fitted with the most sophisticated spying radar equipment, became a vantage point to watch over the vast Central Asian territory of the Soviet Union.

The notorious U-2 episode is now part of history. The spy plane, which was shot down by the Soviet Union, took off from the Peshawar air base. Soviet leader Nikita Khrushchev displayed publicly the wreckage of the plane and the captured pilot, Francis Gary Powers. The conspiracy to misuse Pakistani territory for cold war purposes was thus exposed to the world.¹⁹

From the summer of 1954, India's drift away from the United States and towards the communist countries continued steadily. Nehru became increasingly alienated by the strident bellicosity of the US state department. "And yet, no one knows what it (American policy) is, except strong language and powerful emotions...." Americans, he commented later, "seem to imagine that every problem can be solved if there is enough talking and shouting about it. My own view is that a little silence might help." It was almost as if he could not approve of any facet of the United States. On a project for Indian scholars visiting the United States, he wrote:

I am all for broadening the outlook of the person. But mere breadth is not enough; there must be some depth also. As

19. Vinod Gupta, *Anderson Papers — A Study of Nixon's Blackmail of India*, 1972, p. 23.

far as I can see, there is technical knowledge in a special field which is certainly important. The United States is hardly a place where one could go at present in search of the higher culture²⁰ (emphasis added).

In this connection another relevant point needs to be mentioned. According to Escott Reid, former Canadian high commissioner to India: "Chester Bowles, who was the American ambassador during my first few months in New Delhi, told me in my first talks with him in December 1952 and January 1953, that some time before there had been a proposal that Pakistan should join a projected Middle East Defence Organization but that Archibald Nye, then British high commissioner to India, had killed it in London, but he thought that he had killed it in Washington. It had, however, he said, recently been resurrected and he had told the new Republican administration in Washington that he considered the proposal unwise. I gathered that the new British high commissioner Alexander Clutterbuck, and the French ambassador, Stanislas Ostrorog, had likewise told their governments that they too thought the proposal unwise."²¹

As India started consolidating its political independence and embarked on the path of independent economic development, the anti imperialist threat of its foreign policy became more and more discernible. The main features of its policy are that it opposes colonialism, builds Asian unity, strengthen friendly relations with the socialist countries and anti-imperialist forces, and defends India's freedom and sovereignty. All these taken together constitute what we call a policy of peace. Thus between 1947 and the early fifties, India's foreign policy moved from generalities to specific steps. In this sense, a qualitative change had come about in foreign policy under the leadership of Jawaharlal Nehru. This was the essence of the change that had taken place and it marked a real turning point.

The change became particularly pronounced after the Pak-US pact. This pact was a threat to India's freedom and together with SEATO was a threat to peace in the whole of Asia. How was this threat to be met? Quite evidently this threat could be

20. Sarvepalli Gopal, *Jawaharlal Nehru: A Biography*, Vol. 2, New Delhi.

21. Escott Reid, *Envoy to Nehru*, Toronto, 1981, p. 101.

met only by building Asian unity, and unity and friendship with the socialist countries. This became the basis and core of India's foreign policy. This realisation was the turning point. This is something which has got to be grasped.

Against whom is this Asian unity directed? First and foremost, against America which was threatening Asian peace; but it was not merely against USA, it was also against SEATO represented by a bloc of colonial powers, who were against the liberation movements of the Asian peoples.

That is why Panchasheel—the five principles and subsequently the Bogor conference which was carried forward at Bandung, marked extremely important steps. This is the essence of the NAM, which has now become a decisive factor. From diplomatic recognition of China to building friendship with the Soviet Union, all developments have to be seen in this context. It is from that time that the policy of the Indian government became more and more consistently one of peace. It was not a policy merely of denunciation of 'both power blocs' in a general way, but of positive steps to build Asian unity that will resist and prevent the American plan to use the people of Asia as its cannon fodder. This came with the realisation that the threat to Asian peace can be met only by building Asian unity. After that the other steps followed.

An extremely important question was raised at that stage in some left circles, i.e., whether the Government of India's foreign policy could be called essentially a British policy or a policy that in the main confines itself to the limits set by British imperialists? It was a wrong assessment. It must be understood that Britain is not merely an imperialist power. It is also America's partner in the preparations for a world war. Britain together with America built the NATO, and Britain, together with America organised the SEATO. Together with America, Britain took the decision to base the war strategy of the NATO powers on the hydrogen bomb and now is engaged in preparations for a nuclear war.

Thus Britain is a partner of America in its war drive and a policy which is decisively influenced by Britain can never be a policy of peace. But a policy which is a policy of non-involvement in war, a policy that warns against steps that might

lead to war in Asia and a world war—which was the main feature of the government's foreign policy in the fifties—such a policy does go beyond the limits set by Britain.

And a policy that not merely does not want India to get involved in a world war but actually opposes war moves and builds Asian unity, a policy that builds friendly relations with the Soviet Union and other socialist countries, operates not only against America but against the whole imperialist camp because it isolates the imperialists. The slogan that Asian people must decide Asian destiny and Asians should not fight Asians, is a slogan that operates against America and also against the whole of imperialist camp, against all colonial powers, against the colonial system itself. Therefore, the present foreign policy cannot be called a policy that is decisively influenced by British or any other foreign power. If Britain were to be interested in Asian unity, then British policy itself would be a policy of peace.

The present policy of the Indian government goes much beyond the limits set by Britain and operates against British imperialism. It denounces SEATO of which Britain was a partner. That is why we say that it is a policy which operates against the whole imperialist camp and it cannot be called a policy decisively influenced by Britain. International developments have played a very big role in bringing about this shift—mainly the powerful growth of the socialist and democratic camp, Asian liberation movements, etc. But one should guard against any tendency to ascribe the present orientation in foreign policy only to these international events. That would be wrong. Other factors have also to be taken into account.

There is the growing movement inside India itself—the anti-imperialist and Asian unity movement—which embraces congressmen and the social base of the Congress. The growing conflict between the Indian bourgeoisie on the one hand and the imperialist powers on the other, also has helped to bring about this orientation.

It is necessary to keep this in mind, because one will not be able to explain why Pakistan took a different path when it had the same international background as India had. The forces of socialist and democratic camp though weak, were very much

in Pakistan too. Yet it went in a particular way—of lining up with the imperialists while India chose a different course. This is because the international factor exercises a powerful influence. But this does not explain the whole thing.

Here the growing contradiction between the Indian bourgeoisie and the imperialists has got to be kept in mind. America wanted to transform India into a satellite state and the Indian bourgeoisie was set against this. Secondly, the growth of the anti-imperialist movement inside India has also played a very big role.

If these two factors are not taken into consideration, what would happen? This would lead one to the conclusion that since the international factors are in our favour, therefore, automatically this policy will not merely continue, but will become more and more committed to peace, because one does not visualise the socialist camp becoming weaker. That would mean minimising the tasks we have to carry out in our country in relation to the issue of peace. There are powerful forces at home that would like to reverse these policies. Therefore, the further sharpening of the contradictions between India and the imperialists and the further growth of an anti-imperialist mass movement are essential to strengthen the orientation that has already taken place. Ultimately, it is the internal position that would determine the policy of the government.

With this policy is also linked the question of India's freedom. Formerly, the freedom of country was judged in relation not merely to its formal status but primarily in relation to the economy of the country and the extent to which a foreign power held sway over that economy. That was why Marxism always stated that there are countries which are nominally free, but which are completely in the grip of a particular foreign power because of the status of that power in the economy of that country.

This view needs some modification in today's situation. In the past, when a country was economically dependent, it could not, in its relationship with other states, pursue an independent policy. Its foreign as well as internal policies were completely subservient to the power which held a dominant position in its economy. Today, due to the tremendous strengthening of the

socialist and democratic camp, due to the existence of the socialist market, due to the weakening of the imperialist powers, due to the powerful forces of the liberation movements, it has become possible for a country, which is economically dependent in many respects, to pursue a policy not dictated by any foreign power. This is a new international background which did not operate powerfully in the past.

Today, when the issues of war and peace have become crucial to the national freedom of a country, its status is judged not merely in relationship to any imperialist power with which the country has an economic link, but in its relation to the whole imperialistic camp and on the basis of what policy this country pursues in respect of the war drive of the imperialists. In other words, today, the more a country defends its freedom, opposes war, builds closer relationship with the socialist states, the more free that country becomes. By doing that, it is able, in its relation with other states, to pursue a policy which is essentially in its own interests. India's present policy is not merely in the interests of the bourgeoisie, but in the interests of the whole country. Since India resists the war drive, she is building closer relations with the socialist states. She has also taken positive steps to build Asian unity, she has strengthened her own freedom to such an extent that in her relationship with Britain and America she is able to follow a policy which is, broadly, in her own interest. Politically and practically — not merely in the juridical sense — India is independent and sovereign. The more a country defends its freedom and peace, the closer it draws to the socialist and democratic camp, the greater becomes its freedom. Conversely, the more a country lines up with the war camp and does not defend its freedom, does not defend peace, the more it loses its existing freedom.

From this certain questions arise: Can we expect India's present foreign policy to continue and gain further strength? Yes. All factors, both national and international, are in favour. But can we say with any tone of guarantee? There is no such assurance for the very simple reason that there are powerful elements inside the ruling classes that want a modification of the policy and they would be more and more desperate.

In this context, one should not ignore the role of an individu-

al. Nehru's personal role, for example. Even during his lifetime there were people in America who had been speaking of the "unknown but inevitable successor of Nehru".

This kind of a surmise arises from another simplified understanding of the relationship between a class and its political leadership. From such understanding it is concluded that any other leader in Nehru's place would have pursued an identical policy. That does not happen in real life. A far-sighted and mass leader like Nehru, who realised more clearly than others from which quarter the threat to India's freedom comes, and how to counter that threat, could follow a policy from which other leaders would shrink.

But this policy has certain consequences — dangerous as far as a section of the bourgeoisie is concerned. Many of them think that it alienates the imperialist powers from whom they still expect 'assistance', that this has got dangerous implications, that it might strengthen the movement for democracy and socialism in the country, etc. It is not, therefore, that all of them would follow an identical policy. All of them are agreed on certain points— that India should not allow itself to be dragged into a world war, that India should preserve her independence, that India should utilise the contradictions between the two global camps for its own advantage. On this there is general agreement. But how these aims are to be achieved — on that there can be and is difference as far as emphasis and concrete steps are concerned. If that were not so, there would be no conflict between Congress leaders and others on questions of policy. If this distinction between the Congress leadership and the industrial houses is not drawn, one would tend to equate the Congress Working Committee with the organisations of the industrial houses such as FICCI.

The political representatives of a class—if they are capable and far-sighted—think in terms of the long term political and economic interests of the class as a whole, which in their own consciousness they often identify, with the interest of the country as a whole. With the correlation between the two camps as it is today, with the unstable relationship of class forces inside the country, Nehru's personal role was a great factor in giving India's foreign policy its present content and emphasis. It has to

be recognised in order to understand that the dangers of a reversal—a reactionary modification—are there and we cannot rely merely on the class interests of the bourgeoisie to pursue such a policy.²²

This thesis of late general secretary of the CPI, Ajoy Ghosh is still relevant. In the first instance, it graphically shows why India and Pakistan have been following two different courses in international affairs. Though the thesis has not dealt with the independent path of economic development of India, it is obvious that over the last three years, India has not only become economically more independent and self-reliant but has already emerged as a major economic power.

However, during the Nehru era itself, American imperialism employed various instruments to reverse India's policies. The latest series of newly declassified documents of the US state department have confirmed that the Central Intelligence Agency (CIA) employed 'cover' men both in embassies and American companies to build pressures on India. Any other man could have collapsed by the kind of pressures to which Nehru was subjected. However, now it is obvious that Nehru had his own 'secret weapon' to fight these pressures, namely, the Indian people. He took them into confidence over his policies and he evolved a national consensus which could withstand any amount of foreign pressures. American records show that one Indian representative after another took pains to assure the Americans of India's support for democracy. However, the Americans repeatedly objected to India's attacks on imperialism' and India's criticism of the American support for the return of colonial powers to Asia.

Pakistan, on the other hand, kept assuring the Americans that Pakistan was anti-communist. Unlike India, she never raised colonial issues with the result that as early as 1948 and 1949, first Britain and then the United States accepted the Pakistani argument that the central Asian passes were safer from the western point of view in Pakistan than in Indian hands. These documents have further revealed that the Americans knew of the movement of regular Pakistani troops into India,

22. Excerpts from verbatim copy of speech by the late general secretary of CPI Ajoy Ghosh.

soon after the partition, long before India did. The documents also show that the Americans kept this news secret from India.²³

But there is something more to it. The CIA had planted its agents both in the Prime Minister's secretariat and the Congress organisation. M.O. Mathai, special assistant to Nehru, who, from 1946 to 1959, exercised vast and disproportionate powers much beyond his position, had links with the CIA, and thus the CIA had access to every paper passing through the secretariat of the Prime Minister.²⁴

Nonetheless, it is relevant to note that the new assertion of American strategic interests, more comprehensive as it is, clashes not only with India's national interests but with those of the entire third world too. Jawaharlal Nehru was the first among the leaders of the third world countries to realise this and this realisation brought him again and again in collision with American imperialism.

23. T. V. Parasuram, *Indian Express*, New Delhi, June 1975.

24. S. Gopal, *Jawaharlal Nehru: A Biography*, Vol. 3, p. 122.

SEVEN

China's Perfidy

Though it is for historians to analyse as to at what stage of their relations, Washington and Beijing have quietly started building bridges behind the back of India, it is certain that on the Kashmir issue, both America and China had always an identical stand. As early as 17 December 1949, a proposal put before the Security Council that the demilitarised areas in Kashmir should be "administered by the local authorities subject to UN supervision", was favourably received by the representatives of Norway, the UK, the USA, France and China.¹ The enthusiastic response of the members of the Security Council was, according to a report, 'pre-planned', in order to exert pressure on the parties and to afford wholehearted support to General McNaughton's plans. However, it was the Soviet delegate who gave a timely reminder to the Council that the final judges of the scheme were the parties concerned.² China's pro-Pakistan stand on Kashmir, however, became conspicuous after the Chinese aggression on India in 1962—a point we will come to later.

Nehru arrived that day at Palam airport in a good mood, conscious that a regular high level official visit was the culmination of many days of painstaking work by diplomats on the elucidation, amplification and understanding of those vital problems in the just solution of which both guests and hosts were equally interested. But on 19 April 1960, reaching Palam to meet the Premier of the State Council of the Chinese People's

1. Surendra Chopra, *UN Mediation in Kashmir*, 1971, pp. 80-81.

2. *Ibid*, p. 80.

Republic, Chou En-lai, and foreign minister, Chen Yi, Nehru felt neither the animation proper for such an occasion, nor any confidence in the successful outcome of the visit; perhaps just a faint hope roused by the faith he still had in the effectiveness of personal contacts between politicians. Yes, the hope that confidential talks, negotiations and a frank, honest exchange of opinions between him and Chou En-lai would help, even if only to a limited extent, to get rid of mistrust, suspicion and even hostility in India-China relations which only a few years ago had been good-neighbourly and friendly.

Relations between the two countries had begun to deteriorate noticeably since the events in Tibet in March 1959, when the citizens of Lhasa rose against Chinese oppression. The uprising was brutally crushed and, to save themselves from reprisals, part of the Tibetan population had fled to India. On 31 March, 1959, the temporal and spiritual head of Tibet, the Dalai Lama arrived in India; he and other Tibetans were given asylum. After this development, the Chinese leaders launched a massive attack on India and Jawaharlal Nehru. Soon after this, the Chinese leaders started building bridges with Pakistan. It was in this period that they conveyed to the Americans that the interests of both America and their country coincide in south Asia, though at that stage Pakistan was a member of the SEATO. Thus both Pakistan and America, began a new phase of building an anti-Indian bloc.

As a matter of fact as early as 1957, a highway linking Tibet with Sinkiang had been completed by the Chinese working in great secrecy in this region. This highway was further developed in subsequent years into two converging trans-Karakoram highways with some assistance from their Pakistani friends. The strategic effect of these highways is to bring China logistically to the shores of the Indian Ocean. The difference between the Chinese position and ours was that they kept talking and preparing, while we were only talking.

Shots were fired for the first time on 26 August, in clashes between border guards of the two countries near the frontier post of Longzhu set up by India after the events in Tibet.

It was against this setting of Sino-Indian tension that Ayub Khan proposed a meeting with Nehru with a view to evolving

a common defence arrangement between India and Pakistan. The idea obviously was to bargain with India on the basis of Pakistan's military strength on the one hand and Sino-Indian conflict on the other and to push Nehru off the nonalignment track and lead him via military accord against China into major concessions on Kashmir. Writing later, Ayub virtually admitted this by clarifying that all he meant by common defence was a settlement of problems like Kashmir, with perhaps an understanding of neutrality if either party was engaged in war with a third power.³ Jawaharlal Nehru, politely, though firmly, rejected this course because of a variety of factors—the aggressive anti-Indian speeches of Pakistani leaders, the frequent violation of the cease-fire line in Kashmir, the regular firing from East Bangal and the plan to build the Mangla Dam in what was Indian territory in Kashmir. However, the most important factor which influenced him to reject this plan was the increased military assistance to Pakistan by the United States.

However, Jawaharlal Nehru's efforts to freeze Sino-Indian relations till the political climate improved ran into greater difficulties. Chinese maps showed, with broad brush strokes, large parts of Indian territory in both the western and eastern sectors within China. Chinese leaders no longer explained their maps as reprints of Kuomintang maps.

The clearing of a road in Aksai Chin and frequent incursions into various parts of India along the border fitted logically with the Chinese decision that the time had become ripe for making the boundary issue with India a live one. It was in this situation that in the late fifties Nehru reiterated that in the north-east the Mac Mohan Line was the firm frontier—firm by treaty, by usage and by geography. He also reaffirmed the responsibility of the government of India for the protection of Sikkim and Bhutan and made it clear that any aggression against these countries would be considered as aggression against India.⁴

There are sufficient facts to prove that as India's policy of nonalignment and self-reliance started gathering momentum, both the Chinese leaders and the leaders of western capitalist

3. Ayub Khan, *Friends not Masters*, 1967, p. 128.

4. Lok Sabha Debate, 28 August, 1959.

countries became panicky. Whether it was a coordinated sentiment or a coincidence, is a different matter. Objectively speaking, pressure on India to change the course of her policies started mounting from both ends.

Growing economic relations between India and the Soviet Union, for instance, evoked similar reaction from the western capitals as well as Beijing. Mountbatten went out of his way to warn India against the dangers of ever increasing dependence for economic assistance on the communist bloc. But Nehru did not share this perception. He pointed out that there could hardly be any danger because India's reliance on other countries was and would be far greater, but such assistance was not to be spurned.⁵

When Chinese aggression on India took place on October 20, 1962, the Soviet Union issued a statement, which was of far-reaching significance. The Soviet Union declined to take sides between India and China, with whom they had 'unbreakable bonds of fraternal friendship', and India with whom 'friendly cooperation' was developing successfully.

If one examines all the available facts of that period, including statements and press comments both in the Soviet Union and China, certain conclusion can be easily drawn. They are: (a) The Soviet Union advised China not to exacerbate the border dispute with India into a major clash of arms, and (b) China exerted maximum pressure on the Soviet Union not to take any public stand which appears to be favourable to India and disapproves of Beijing's action.

However, this official stand of the Soviet Union about the 'unbreakable bonds of fraternal friendship' with China and 'friendly cooperation' with India concealed more than what it revealed. The Soviet leaders by that time had already well-formed ideas about the narrow nationalistic ambitions of the Chinese leaders on the one hand and the potentialities of India as an anti-imperialist force in the newly liberated world on the other.

There are some Chinese experts, who believe that in reality

5. Nehru to Mountbatten, 21 March, 1959 as quoted by S. Gopal in *Biography of Jawaharlal Nehru*, Vol. 3, p. 99.

Mao wanted to drag the Soviet Union into the Sino-Indian conflict, though this estimate has not been substantiated by any other fact except that Khrushchev had made a reference about it in his book—*The Last Testament*.⁶ Nonetheless, it is wellknown that when Khrushchev went to Beijing in October 1962, Chen-Yi criticised the Soviet statement on behalf of the Chinese leadership. "Don't you know," Chen-Yi is reported to have said, "Nehru must be destroyed if the progressive forces in India are to prevail?" Khrushchev's reply that the Soviet Union had a different assessment about Nehru was unacceptable to the Chinese. This is further confirmed by the fact that Zhou himself told a British journalist years later that Nehru had been intriguing with the Dalai Zana and Panchen Lama since 1956 with big power backing and encouraging them to rebellion.⁷

Therefore, it will not be incorrect to say that by the late fifties two conflicting assessments in the world communist movement about the role of the newly liberated countries and their leaders had clearly and openly surfaced—one representing the view of the Soviet Union and the other socialist countries, and the other of the international communist movement and a large number of the communist parties including the Communist Party of India.

Another fact also needs to be mentioned. While the western countries, particularly America, were closely watching the growing Sino-Indian conflict, the CIA began actively accentuating the situation. Economic crisis in China had taken a serious turn. Starvation deaths from some areas were reported. Migration of population to Hong Kong in the east to the Soviet Union in the west was reported. There were indications that the CIA was active in Tibet.

It is significant that the Sino-Indian conflict came at a time when peace in other parts of the world was hanging literally by the thread. Events unequalled in drama in the whole postwar history were happening in the Caribbean. The Chinese had

6. As quoted by S. Gopal in *Jawaharlal Nehru: A Biography*, Vol. 3, p. 99.

7. *Ibid.*

chosen their moment well, because the Soviet Union was facing a serious situation in Cuba.

If one looks back, it will not be incorrect to say that the Chinese had chosen their own moment of aggression against India, keeping in view the situation at home and abroad and above all the state of affairs of the nonaligned movement. There was a guarded response from most of the nonaligned countries to the Chinese aggression on India though Nasser and Tito were forthright. Nehru could not know that from the very start of the border clashes, that the Soviet Union, through diplomatic and other channels, had more than once warned the Chinese leadership of the negative consequences of the border quarrel with India.⁸ The Chinese leaders not only did not accept these sensible warnings, but accused the Soviet Union of "deviating from proletarian internationalism".

According to some western experts, though Nehru recognised "two strains in Chinese behaviour...they were very cold-blooded, emotional and irrational people, a little too cold-blooded for his test; they looked down on foreigners as inferiors and they took offence easily at what they assumed to be slights". The error Nehru made when he dismissed the possibility of China invading India was to take into account only the rational strain in the Chinese behaviour, and he considered a Chinese invasion of India to be irrational and he failed to take into account the non-rational strain, that the Chinese looked down on foreigners as inferiors....Because they considered Indians to be inferiors they resented India's leadership themselves; they, therefore, sought an excuse to humiliate India and thus put India into its 'proper' place.⁹

The question of certain subjective characteristics of the Chinese people apart, there is hardly any doubt that the Chinese leaders had decided to strike at India just at a time when it had not only consolidated its political and economic independence but had emerged as a major factor in world politics. In this sense, this estimate by a former western diplomat, who has worked in India, needs to be taken seriously.

8. A. Gorev, V. Zimyanin, *Jawaharlal Nehru: A Biography*, Moscow, 1982, p. 336.

9. Escott Reid, *Envoy to Nehru*, 1981, p. 248.

The Chinese aggression against India and the US blockade of Cuba had one thing in common—fear of stable world peace. The chauvinist governments of these two countries were feeling extremely uncomfortable in the late fifties and the early sixties. They had been losing ground in their respective blocs and had realised that their capacity to influence the decisions of other countries had dwindled. In both governments there were powerful groups who believed that their discomfiture was due to the feeling that all over the world a trend was growing that problems between nations could be solved through negotiations. This trend appeared to be dangerous to them because it blocked their ambitions of world domination. Cuba, for instance, even if armed to the teeth, was no danger to the USA. The Indian territory, which the Chinese wanted to grab, would never be of any economic advantage to the Chinese. Aggression in both the cases was resorted to, with the hope of embarrassing and compelling the partners of these governments in the respective blocs to abandon policies that might have led to stable peace and goodwill among the people of the world.

The Chinese aggression against India had other objectives too. Through this adventure, the Chinese leaders wanted not only to test the strength of the Indo-Soviet friendship but also to impede growth of such friendly relations. Another objective was to push India into the imperialist camp. As the starting point, the Chinese leaders would force India to surrender her right on Kashmir—an area which is very strategic for them.

Perhaps, it will not be incorrect to say that the cool and calculated leaders of China had worked out a neat political strategy to involve the Soviet Union in war with the USA on the one hand, and to isolate it from the newly liberated countries on the other. On the face of it, this may look to be a coloured interpretation of the events of the late 1962. But the official organs of the Chinese Communist Party were endorsing a policy both on the Cuban crisis and Sino-Indian conflict, which confirms this conclusion. "The Cuban crisis was really the crisis of Khrushchev's policy of appeasing American imperialism and a half-a-million strong government-organised demonstration was milling around the Cuban embassy with placards and slogans advising the Cuban leaders to ignore Khrushchev's advice, reject his

agreement with Kennedy and go to war against the US." What did this call amount to? Again the *People's Daily* came out with an article describing India "as an expansionist state", which is seeking to establish a "big Indian empire with the help of the American imperialists". Jawaharlal Nehru, one of the greatest champions of peace in the eyes of the Soviet leaders was described as a "lackey of the imperialists". In fact, the Chinese leaders show that Sino-Indian relations had deteriorated because of India's growing economic dependence on America. Was there any other linkage between the Cuban crisis and the Chinese aggression against India? Only future historians will be able to throw light on it.

Nonetheless, as far as India's internal situation is concerned, the Chinese aggression became the pretext for right reactionaries of all hues to launch a general offensive against Jawaharlal Nehru and his policies. Indeed, it is difficult to find any aspect of the domestic or foreign policy of India that was not linked by the leaders of reaction to the events in the Himalayas. It seemed as if a turbulent stream had breached the dam and its muddy waters were spilling India's ancient roads. It was a multi-dimensional attack, its main targets being Nehru, defence minister Krishna Menon and petroleum minister K D Malaviya. The reactionaries pressed the demand for the reconsideration of domestic policies, banning the activities of the CPI and finally for making a radical change in India's nonalignment policy.

On November 8, 1962, Swatantra leader N G Ranga demanded in Parliament the resignation of the Nehru government on the alleged ground that it failed to cope with the job of ensuring the country's defence. Rajagopalachari, a veteran leader chimed in by way of a filler that the Nehru government should be replaced by a multi-party regime in which the Swatantra and its ideological allies would play the dominating role, and went to the extent of suggesting that S K Patil should replace Nehru as the Prime Minister.

However, the most dangerous aspect of this offensive against Nehru was that these rightwing parties—the Swatantra, the Jana Sangh, some elements of the Praja Socialists and the Lohia Socialists—joined hands to run a national campaign to sap the peoples' morale.

Late Raghuvira, then president of the Jana Sangh, in his presidential address to the Bhopal session of the party in March 1963, suggested that a Supreme National Council should be set up for deciding "all the policies and programmes including foreign aid and foreign alignments". However, the most revealing aspect of the Jana Sangh leader's speech was the clamour that India should be converted into a stronghold of western militarism on par with South Korea, Turkey, South Vietnam, Taiwan, Thailand, Formosa or Pakistan on the plea that "defence industries of our country will serve not only India but all the democracies from Africa to Philippines". In fact, the focal point of all the rightwing parties was to make India economically and politically dependent on the West, particularly the United States. The Jana Singh leaders went a step further. They accused Jawaharlal Nehru of not making full use of the American aid. They argued that if Nehru had done so the country would have had an army of two million and air shield of 6,000 jet planes.¹⁰

The Chinese aggression and the pressures at home did have some impact, both on India's internal and external policies, though temporarily. In 1962, hard pressed by the aggressor, India necessarily developed close links with the western powers, and the practice of nonalignment wore thin.¹¹

After the war with China, India requested the United States for 500 million dollars assistance spread over five years to modernise its armed forces. In late April 1963, President Kennedy discussed this request with his advisers. The new ambassador to India Chester Bowles who had succeeded Galbraith advised a positive response, but the secretary of state and some other officials opposed this proposal. In his memoirs *Promises To Keep*, Chester Bowles admitted that the Pentagon and the state department were opposed to this proposal because as they put it "if we proceeded to help them, we would get ourselves into hot water with our allies like Pakistan."¹² It may be mentioned here that by that time the United States had given Pakistan military aid to the tune of 850 million dollars.

10. H. D. Malaviya, *The Danger of Right Reaction*, 1965, pp. 131-135.

11. S. Gopal, *Jawaharlal Nehru: A Biography*, Vol. 3, p. 274.

12. M. L. Gujral, *US Global Involvement*, 1975, *op. cit.* p. 302.

During the last phase of his life, Nehru was facing a dilemma and yet there was no escape from this dilemma. "So far as we are concerned this war is pushing us into a modern world, making us realise the hard realities and the situation for which free nations must keep ready. The world was a cruel place for the weak, be it of mind or in arms," said Nehru.

When the Chinese launched their major attack in October 1962, Nehru was virulently attacked by Pakistan for not acceding to China's terms and accused him of pursuing an expansionist policy. On the other hand, Washington was pressurising India to settle the Kashmir problem with Pakistan. In fact, American and British aid to India was linked with the solution of this problem on the ground that public opinion in their countries would favour generous aid to India only if it were linked with a settlement on Kashmir. "If the Kashmir issue was settled, India's role on the world stage would gain new perspectives and a painful diversion complicating India's relations with the United States in a way disadvantageous to both the countries would be removed", wrote, Kennedy to Jawaharlal Nehru on February 7, 1963—almost four months after the Chinese aggression. It appears that in the last phase of Nehru's life, Sino-US-Pak axis had already started emerging.

EIGHT

America's China Card

In today's difficult international situation, a partnership between Beijing and imperialism, posing a serious threat to peace and independence of our peoples, has become a visible reality. Beijing's pro-imperialist policy, initially termed as the struggle against the 'two super powers', has now developed into an open axis with imperialism and finds its expression in joint or parallel actions rather than innocuous declaration. This is a new stage in international affairs which cannot be either overlooked or ignored. Exposing the adventurist and hegemonistic policies of the Chinese rulers, the USSR has all along been crusading for peace and security. In his report to the 25th Congress of the CPSU, Leonid Brezhnev pointed out: "Beijing's frantic attempts to torpedo detente, to obstruct disarmament, to breed suspicion and hostility between states, its efforts to provoke a world war and reap whatever advantages may accrue, present a great danger for all peace loving peoples".

This description of Chinese policy is as valid today as it ever was, despite talk of such a policy having moved in the direction of 'realism' and 'love of peace'. Adventurism continues to be the hallmark of Chinese foreign policy. This is attested to by such facts as the Chinese aggression against the Socialist Republic of Vietnam, the incessant provocations along the China-Vietnam border, interference in the internal affairs of Laos and Kampuchea, and subversion against the Democratic Republic of Afghanistan and a number of other states in Asia, Africa and Latin America.

It is these growing aggressive and hegemonistic trends which

have established a commonality of policy between Beijing and Washington and which have promoted both sides to initiate a process of rapprochement. Axis with the US has been a long standing objective of the Beijing leaders in pursuit of their narrow interests. As early as 1978, China's leader Huang Hua, formulating these objectives in one of his speeches behind closed doors, said that it was necessary to pull the United States over to China's side.

The intentions of the Chinese mandarins coincided with the predominant concept in Washington, where the 'hawks' and the agents of the military-industrial complex were preparing for an offensive against the policy of detente. In the wake of the Washington session of the NATO Council, May 1978, which approved annual increases in the military budgets of NATO members up to the end of the century, President Carter expressed his intention to speed up the process of normalisation of ties between China and the United States and dispatched his National Security Adviser Brzezinski to monitor the attitude of the Chinese leadership. Beijing leaders accepted the terms offered by the US without reservations, although they infringed on China's sovereign rights. On his return to Washington, Brzezinski said that the "United States and China . . . have parallel interests".

The next step in the process of Sino-American rapprochement was the visit to the US of Deng Xiao-ping, in early 1979, and his talks with President Carter and other officials. He openly called for a military alliance embracing China, the US, Japan and countries of western Europe.

The trend to consolidate the Sino-American alliance became more apparent during the visit to China of US Vice President Walter Mondale in August 1979. He announced, among other things, the decision of the US administration to set up a two billion dollar credit fund to finance bilateral transactions over the next five years. According to Mondale, their might, security and modernisation of China in the following decade will serve the interests of the United States. He said the US would consider that any country which attempts to weaken China or isolate her in the international sphere takes a position contravening American interests.

In the beginning of 1980 January, the US defence secretary visited China. This visit marked the beginning of direct links be-

tween the US and China in the military sphere. Both sides mapped out 'common objectives' and agreed upon 'parallel actions' to be taken by Washington and Beijing in the international arena. Significantly, an agreement was reached on jointly rendering largescale assistance to Afghan counter-revolutionaries and on increasing arms shipments to Pakistan.

After these visits, a visible expansion of Sino-American cooperation in the military sphere began. The Washington administration officially authorised the export to China of certain strategic goods banned for export to the Soviet Union and other socialist countries. These goods included radar installations, military transport planes and helicopters, and communication facilities. The US also agreed to help China expand its war industry. More specifically, this applied to deliveries of heavy helicopter assembly lines and particularly computer technology. Washington officials emphasised that China and the US could coordinate military operations in the future.

In their drive to forge an alliance with the US imperialism, Beijing leaders are now making systematic efforts to establish military and political ties with the other NATO member countries and Japan. They declared time and again that "the US, the West European countries and Japan should increase their military expenditure, build up their armaments." The Chinese leaders stopped just short of actually asking Japan to double the military budget in order to turn the country into a 'great military power'.

Two years ago, when the present leadership in Beijing was coming to power after Mao's death, General Alexander Haig, who at the time was NATO Supreme Allied Commander in Europe, said in a reference to China that it was something like the sixteenth member of the North Atlantic alliance. Time has shown that it was a correct assessment and provided a great deal of new evidence that the Chinese leaders invariably prefer stronger military and political alliance with the imperialist countries.

However, the unwillingness on the part of the West European countries to toe the US policy line on a number of important issues has begun to cause anxiety among the Chinese leaders. An article entitled "An Analysis of the Relations between the US and Western Europe" published in *Renminribao* recently shows how serious this concern really is. It has argued that "the forces of Western

Europe cannot stand up against the Soviet threat on their own; the US... also needs the aid and assistance of the allied countries; this gives rise to the conclusion that the differences existing between them cannot lead to a total break”.

The Chinese leaders seem to attach great importance to their relations with Japan because she is China's most important trading partner. In 1979, the trade turnover between the two countries reached nearly sterling 7,000 million.

China is responsible for 19 out of the 30 conflicts that have taken place in Asia, especially in Mongolia, Vietnam and Burma since the Second World War. The Chinese incursion into Vietnam and the tension which still continues in the Indochina region are not isolated developments.

Beijing has not abandoned its enmity to the People's Republic of Mongolia. In line with their previous policy, her present rulers have not given up their claims to Mongolian territory. They create tensions on the border with that country, use every means possible to step up subversion against Mongolia and try to interfere in the internal affairs of this independent state.

Chinese aggression against the Socialist Republic of Vietnam in February and March 1979, was committed with the knowledge and approval of the US administration, after Deng Ziao-ping had visited the US where he had secured American support. China continues her armed provocations along the border with Vietnam, threatening “to teach Vietnam a new lesson” and persistently refusing to reach peaceful settlement. This March, the Chinese leaders unilaterally announced China's withdrawal from negotiations with Vietnam. They recalled their ambassador from Hanoi and cut off all trade and economic links with Vietnam and the neighbouring Laos.

Beijing is fully aware that the steady development of Vietnam and Laos and the stabilisation of the situation in Kampuchea would consolidate socialism in Southeast Asia, and block her expansionist ambitions. Undermining the positions of Vietnam and Laos, and supporting the armed struggle of the Pol Pot bands against the democratic regime in Kampuchea, continues to be the dominant feature of China's policy in Southeast Asia.

The undeclared war against the revolutionary regime in Afghanistan waged by the US and China is another example of Sino-

American collusion. China expressed open hostility to the revolution in Afghanistan in April 1978. In Pakistan, 20 special camps and 50 strongholds are being run by Chinese and US instructors. China has provided 300,000 dollars' worth of aid to the 'Afghan refugees', and supplies them with weapons. In 1979 alone, at least 15,000 mercenaries were trained in these camps. China has been building up its armed strength on the border with Afghanistan. Chinese troops have even crossed into the Afghan territory.

There is another aspect of China's subversion aimed at Afghanistan. While Pakistan is assigned an increasingly greater role in their anti-Aghan conspiracies, the Chinese leaders continue to push the Pakistan military government into adopting a hostile policy towards India also. Using the situation in Afghanistan as a pretext, China has become an important arms supplier to the Pakistani army. President Zia-ul Haq has admitted that since 1966, China has been giving tanks, aircraft, guns and other arms and ammunition in quantities far in excess of Pakistan army's requirements.

The Chinese leaders have assigned Pakistan the role of a counterweight and a lever for exerting pressure on India. China has not abandoned her claims to the Indian territory it had occupied in 1962 and has been stirring up anti-government activity by separatists in India's eastern states. By their joint actions, the US and China, in partnership with Pakistan, are trying to undermine India's position in the subcontinent, in Asia, and in the nonaligned movement. China is playing a double game of pressurising India and at the same time professing to improve relations. Some time ago, Deng Xiao-ping offered a 'package deal' to settle the frontier dispute with India, which really perpetrates China's occupation of Indian territory. He also promised to desist from anti-Indian propaganda and expand trade with it.

Those watching China striving to become a major nuclear power know that during the Second World War, when Chiang Kei-shek and his forces were in control, the Chinese communists under Mao Tse-tung had created a powerful security wing. This wing had methodically prepared a list of Chinese living overseas, who had training in missile, nuclear or related projects. An interim list of over 200 Chinese scientists was drawn up and between 1946 and 1947 a campaign of subtle pressures was unleashed to

bring them home. A number of distinguished scientists including Chien Wei-chang and Chien Hsueshen, missile experts, were persuaded to come home and build for their motherland its advanced R and D units.

The eighties constitute a remarkable period in the history of the People's Republic of China, because of the rapid modernisation of her armed forces and because of the high rates of growth of their fighting power. In 1980, the Chinese tested their first land-based missile with a range enough to hit targets in the Soviet Union, India and in the United States. In 1981, they orbited several satellites with one rocket, thus opening the way for developing and improving missiles with MIRVed warheads. Their first submarine-launched ballistic missile became operational in 1982. In 1983, work began on China's first aircraft carrier. One can go on adding to this list of achievements. However, it should now be clear that the smashing fist of the Chinese armed forces with their nuclear missile potential has already reached a new range.

Chinese defence minister Zhan Aiping believes that the programme of building nuclear weapons is the most paying way to provide for defence. He believes that no matter what part of the budget goes for defence, there exist three priority areas for mobilising resources: nuclear missiles, fuel and warheads. "To implement our nuclear weapons programme, we need the best brains and resources China has to offer", says Zhang Aiping. His anxiety is easy to explain, for before he became the defence minister he fashioned China's nuclear programme and conducted it with exceptional success. Another advocate of increased Chinese nuclear might, minister of nuclear industry Jiang Xinxiong (not long before his departure for Vienna to attend the IAEA session) said that in building an atomic energy industry China attached particular importance to using that energy for military purposes and would carry on experiments in those areas with a view to developing nuclear weapons.

The Chinese top brass welcomed with profound interest the news about the development of neutron weapon in the West. The then deputy chief of general staff of the Chinese people's liberation army, Zhang Aiping expressed his enthusiasm about the neutrobomb in a poem published in the Beijing press. The message of the poem was that China needs to have that weapon too.

For developing and producing nuclear missile weapons, an extensive R & D network was set up by the Academy of Sciences of the People's Republic of China. The 2nd machine building ministry (atomic industry), the 7th machine building ministry (rocket-building industry) and the academy of military sciences affiliated to the ministry of defence, oversee the work of more than 40 scientific research institutes. More than five thousand research workers are involved in the work in the nuclear field. China has more uranium deposits than the Republic of South Africa which is known to possess large uranium ore deposits. In 1978, in China 4,531 tons of uranium ore were mined. Up to now China has managed to meet its needs for research and production of reactors, using its own uranium deposits, enabling the Chinese nuclear industry each year to produce about 70 nuclear charges. Through emphasis on producing nuclear warheads for strategic and medium range weapons, China has now stockpiled 800 charges with a yield ranging from 20 kilotons to four megatons.

At the same time the work on improving and accumulating nuclear weapons delivery systems is proceeding at full speed. China can use for these purposes part of its fighter-bomber force with a speed of up to 850 kms. The use of bombers makes it possible to strike targets situated at a distance of 3,000 kms. Nevertheless, the military and political leadership of the People's Republic of China has opted for a development of its missile arsenal on a priority basis. Now China has more than 150 missiles of four types, mainly of medium range. They are equipped with nuclear warheads with 15 to 20 kiloton to three megaton yields and have a range of up to 2,800 kms.

The development of intercontinental ballistic missiles (ICBMs) and their deployment this year at fixed sites has turned out to be a new qualitative development. The Chinese three-stage ICBM CAS-X-4, successfully tested in May 1980, can carry a three to four megaton nuclear warhead and has a range of 12,800 kms. One missile site is on Hainan island. The ICBMs deployed there cover Southeast Asia, Australia, the Indian Ocean and the South Pacific.

The United States, Japan, the Federal Republic of Germany and other countries provide both direct and indirect assistance to China in building its nuclear missile potential. For example, as early as the '60s, the Federal Republic of Germany supplied China

with heavy water for its nuclear reactors. Lacking strong radio-electronic industry of its own, China has not been able to develop tracking and flight control system for ballistic missiles without outside help. It bought the necessary special equipment from the United States and Japan. Counting on assistance from the West, Chinese military experts plan to achieve such accuracy in ground and on-board missile guidance systems that will make it possible to strike small targets.

Some western countries have agreed to the Chinese suggestion that they store radioactive waste on its territory. However, one might rightfully ask: How does China plan to dispose of these radioactive wastes? Regular deliveries of waste from Europe will make it possible for Beijing to get large quantities of plutonium from used nuclear fuel rods. Plutonium is the main composite part of nuclear bombs. As soon as nuclear fuel rods reach the territory of the People's Republic of China, claim the Chinese, they will fall under Chinese sovereignty, and how they will dispose of that material will be entirely their own business. It is no accident that Beijing has chosen the Gobi desert as site for storing nuclear wastes. It is not far from major nuclear industry enterprises mainly situated within the Basotou-Yumen-Lanzhou triangle. Thus, the West not only provides China raw materials for atomic bombs, free of charge, but also pays handsomely for the 'storage' of radioactive wastes.

The unprecedented growth in the Chinese nuclear missile potential raises some pertinent questions. Will China use its nuclear power? If so in what way and against whom? It has already been reported that during the Chinese army manoeuvres in the Northwest of China in June 1982, it exploded a nuclear bomb for 'training purposes'. Such ease with which Beijing had used nuclear weapons in the immediate vicinity of its troops even if that was done for 'training purposes' makes one think that it will not hesitate to use it against 'potential adversaries'.

There are some experts who feel that the chance of the 'first use of a nuclear weapon' by China is slimmer than, for instance by the United States and the USSR because of various factors, such as the poor quality of its nuclear weapons compared to other countries, lack of stability in political situation, and unresolved border disputes with neighbouring countries.

China, therefore, is likely to use its nuclear missile potential to attain its foreign policy objectives as an instrument of pressurising and blackmailing other countries. The Chinese themselves admit that the fact that they possess nuclear missile weapons, did play a major role in the successful outcome of their negotiations with Britain on the future of Hong Kong. China, therefore, is likely to play its nuclear card on the negotiations with India on the border dispute.

As to the direction in which China might use its nuclear missile potential, the very deployment of its strategic forces is sufficiently eloquent. The ICBM and medium range missile launching sites are situated not only in the Northwest and the Northeast of China, but also in Tibet, Guangdong province and on Hainan island. The trends in the development of the Chinese army such as, for example, the creation of aircraft carrier fleet, the marines, the strengthening of airborne forces, testify to the fact that the military and political leadership of China is thinking more in terms of an offensive, and not a defensive war.

The question now is: What are the distinguishing features of relations between the US and the People's Republic of China at the present juncture, their basic trends and the objectives? What is their impact on India? The first thing which needs to be examined is the options of the US administration and the Chinese leadership in dealing with one another.

The US administration considers it as one of its principal objectives in the Far East to maintain and, wherever possible, to extend and deepen the links with China along with persistently striving to give them an anti-Soviet slant. The US ruling quarters do not desist from playing the 'China card' in global confrontation with socialism. Hence Washington has got 'community of strategic interests' with China.

However, along with this objective, the 'China policy' of the White House has yet another aspect which Beijing cannot fail to note. This policy is built on the presumption that China has greater interest than of United States, in the development of bilateral relations. The idea is that China cannot do without America in the present international setting. Washington regards China as its junior partner in world politics. For it, the People's Republic of China is no more than a regional power which US global strategy

counts as one designed to fulfil the function of a 'military-political counter balance' to the Soviet Union in the Far East, attracting some of the Soviet armed forces to it.

On the other hand, the basic priorities of Chinese policy towards the US were defined at the Twelfth Congress of the Communist Party of China (CPC) in September 1982. The main report to the Congress described the relations between these two countries as "beneficial not only for the people of both countries but for world peace as well". Incidentally, the argument of the Eleventh CPC Congress (1977) that "basic differences exist" between China and the United States was dropped. On the other hand, the Twelfth CPC Congress emphasized the "independence and self-determination" of China's foreign policy and called once more, after a certain break, for a "struggle against the two superpowers".

However, as facts indicate, China has as a matter of fact, remained committed to 'strategic interaction' with the United States over a wide range of fundamental international problems. Beijing leadership does not want that Sino-American contradictions should grow. Beijing is virtually trying to justify the plan for the deployment of medium-range nuclear missile systems in western Europe, presenting it as the 'rightful concern' of the West over its security. It supports the US argument that parity with the USSR should be established in view of the so-called Soviet nuclear superiority in Europe, while passing over or adversely reacting to Soviet initiatives in working to reduce military tensions in Europe. US-China contacts continue in the military field, with neither side making any secret of whom they regard as their common potential military opponent.

In spite of political differences, the machinery of trading economic, scientific, and technological cooperation set up by the two countries in recent years, has been operating without too much of a hitch. In 1982, US-Chinese trade came close to 5.2 billion dollars, 17 times more than Soviet trade with China. The United States has increased direct investments in the Chinese economy, primarily in the offshore oil developments. Eighty US companies and banks have permanent offices in China.

Despite all this, however, frictions arise ever more frequently in Sino-American relations. This is due to old causes such as

Washington's stand on the Taiwan issue.

Of course, socio-political and ideological factors including the fact that they belong to different social systems create problems. In fact, the late evolution of Sino-US relations have thrown up new problems.

The elements of strain in some spheres of US-Chinese relations do not mean that Washington has slackened the efforts to involve China in its plans for containing the USSR, by collaborating in specific foreign policy matters.

China's big power ambitions and anti-Sovietism are inexorably driving that country into the fond but fatal embrace of the United States. Sino-American collusion is no longer a matter of speculation. Every available evidence shows that the twists and turns of American policy towards China and its global strategy are conditioned more by the need to play the China card in Asia.

The emerging pattern of Sino-American relations bears out that politics do make strange bedfellows. However, unbelievable they may be, one has to reckon with facts. Sino-American collusion has a direct bearing on India for Beijing's perception about India is partly over shadowed by Sino-American relations.



NINE

The Indira Era: Towards Self-Reliance

After the Chinese aggression, Jawaharlal Nehru's determination to build a self-reliant and nonaligned India set him out on a drive to revitalise the country's economy and also correct the drift in the Congress party and the administration it headed. Both the 'Kamaraj Plan' and the Congress session at Bhubaneshwar, which saw a new thrust to Congress policies, need to be seen in this context.

Nehru's perceptive mind could clearly see that a period of thaw in the international situation had begun and new adjustments were taking place between the US and the Soviet Union. President Kennedy's appeal on June 10, 1963 for ending cold war attitudes underlined this new shift. This, however, turned out to be a temporary phase. Nevertheless, sweeping changes were taking place in Africa and Latin America. Malawi and Zambia in Africa became independent in 1964, and African nationalists elsewhere began to mount offensive against colonial rulers. This persuaded Nehru to place domestic policies, defence of the country's independence and sovereignty and military preparedness in the world context. Though at one stage, the United States offered to underscore the defence of India's cities (airstrip and radar facilities for this would be prepared by India) Nehru did not accept the suggestion of an American 'Air Umbrella' because he felt this would erode India's struggle for self-reliance.

However, after Nehru's death, when Lal Bahadur Shastri became the Prime Minister, Americans again resorted to arm twist-

ing in a very sophisticated manner with Pakistan as an accomplice.

Significantly, it was Indira Gandhi who was the first to recognise this pressure. She said that Pakistan, in its attempt to get the reference to Kashmir included in the Commonwealth communique (July 1964), was encouraged by western pressure on India to settle Indo-Pak differences. This pressure she said was 'increasing steadily'.¹ She had reasons to come to this conclusion. Tibet was already converted into a vast cantonment with 12 Chinese army divisions already posted there. Lhasa in the East and Rudok further West and nearer to Ladakh had become two major Chinese bases. Roads connecting Lhasa with Rudok and the Aksai-Chin road to Sinkiang had been improved since 1962. From these major arteries, hundreds of motorable feeder roads had been built up along our border.

In Jammu and Kashmir, Pakistan had been steadily increasing military activity. In several areas semi-regular forces had dug in, built trenches, and posts.

Apart from these military facts, political straws in the wind indicated more dangers ahead. One of the most significant development was the Sino-Pak alliance. Pakistani troops were trained in China. The Chinese helped Pakistan in building a road to Gilgit. Pakistan also received arms from China under a secret military pact. Apart from these, US military aid to Pakistan continued. Between June 1 and August 29, 1964, as many as 426 cases of violation of the ceasefire line or border incidents took place. Krishna Menon rightly underlined in the Lok Sabha (September 1964) that these incidents were the prelude to another 1947-type 'expedition' against India.

Surprisingly, President Radhakrishnan's speech during his visit to the Soviet Union in the last week of September 1964, was bitterly criticised in the American press and US diplomats in India expressed their 'unhappiness' over it. The passage in the President's speech to which objection was taken by the American diplomats read as follows:

"Like all liberated nations we are developing a socialist pattern of society inside and opposing imperialism outside.

1. *Link*, New Delhi, July 26, 1964.

Fighting capitalism within and imperialism without — these are the governing principles of liberated nations.”

By the beginning of 1965, Indo-Pak relations became very explosive. The government headed by Ayub Khan encouraged anti-Indian tendencies. As the people of India readied to celebrate the 18th anniversary of the transfer of power, imperialists reminded them through Pakistan not to go too far in voicing their commitment of ‘fighting imperialism without’. In April 1965, there was a border incident in the Rann of Kutch, between the border police forces of India and Pakistan. Contrary to assurances given by Eisenhower to Nehru, Pakistan used American arms including Patton tanks, against India. When India made a protest supported by photographs of Patton tanks in action, Washington took no notice. This emboldened Pakistan and she used American arms against India without any hesitation.²

The Rann of Kutch operation was only a rehearsal and preparation for a bigger attack on India. Skirmishes continued throughout August, and on September 6, 1965, a fullscale armed conflict between India and Pakistan began. Soon after the first clashes, India communicated the facts of the situation to all foreign governments. Britain and the US assumed a posture of neutrality because Pakistan was a member of the CENTO and SEATO. The biggest tank battle of the war in which over 1,000 tanks were deployed was fought in the Sialkot sector of Pakistan. It raged for fifteen days and the Indian troops were within a kilometer of the city and were on the point of encircling it, when following the resolutions of the Security Council, a ceasefire was announced.

Nonetheless, it became clear that Pakistan had received all its weapons and ammunition, including superior military equipment — Patton tanks, F-86 Sabre jets and F-104 Starfighters — under its military aid pact with the US. How prophetic Nehru was when as far back as 1954, he had warned that the “military aid given by the US to Pakistan is likely to create conditions which facilitate and encourage aggression”. He described military aid as a ‘form of intervention’ by an outside power in the relations between India and Pakistan and added “the grant of aid by the United States to Pakistan creates a grave situation for India”. Natural-

2. M. L. Gujral, *Global Involvement*, New Delhi, 1975, p. 305.

ly, this gave a new turn to Indo-American contradictions.

During the 1950s, US interests in the subcontinent were determined by the criterion of an activist strategic presence ostensibly for the defence of democracy. This resulted in creating a direct conflict between the two major countries of the sub-continent. The American decision to build a cold war Maginot Line along the Hindukush and the western Himalayan range meant the cultivation of Pakistan to the detriment of India. The 1950s and mid 1960s thus saw Indo-American relations reach a significant level of conflict of interests.³

On January 10, 1966, after signing the Tashkent Agreement which put an end to the 22-day war with Pakistan, Lal Bahadur Shastri passed away. Indira Gandhi became the Prime Minister on January 24, after a direct contest in the Congress parliamentary party with Morarji Desai. She was worried right from the beginning at the thought of Morarji Desai becoming the Prime Minister because his policies were so diametrically opposed to what the country stood for, and she feared that India would immediately change direction.⁴

By the mid sixties, the economy of the country was facing serious problems — low rates of accumulation, narrow home market, slow pace of industrial development, shortage of investment capital, low level of agricultural development and the stranglehold of merchant and usurious capital. This situation was further complicated by the droughts of 1965-67. In this scenario, both internal and external pressures began manipulating to change the economic policies. The foreign aid euphoria whipped up by the then planning minister Ashoke Mehta had almost evaporated because Washington was not in a mood to oblige India without seeking a change of its policies. But along with this another development was taking place.

America had cut off the supply of arms to India and Pakistan at the outbreak of the hostilities. However, in the beginning of 1966, the United States decided to sell non-lethal weapons to both countries either on credit or cash. In 1967, Washington further

3. R. V. R. Chandrasekhara Rao and others, *New Perspective on America and South Asia*, Delhi, 1984, pp. 112, 113.

4. Indira Gandhi, *My Truth*, New Dehi, 1981, p. 108.

liberalised its arms supply policy by throwing open sales of spare parts for weapons supplied earlier. This was a clever device to hoodwink India because only Pakistan could take advantage of this policy since the main bulk of the Indian military equipment was of non-American origin. Pakistan replenished her war losses almost within one year, partly with American help and partly through hardware routed through third world countries — West Germany, Turkey, Iran, Saudi Arabia and Jordan and also China.

At the end of March 1966, Indira Gandhi paid a visit to the United States. By all accounts the visit was termed a success, though only in terms of diplomacy. President Johnson went out of his way to attend a dinner hosted by the Indian ambassador. In spite of all this, Johnson did not sign the sanction for a shipment of wheat to India, though the country faced a serious food crisis. "Had we known for sure that we were not getting it, then we would have adjusted, we would have had stricter rationing or something. But every time we asked the Americans, we were told that the papers were on the President's table", commented Indira Gandhi.⁵

But there was a reason for this. President Johnson, as Chester Bowles had put it "attempted to use our wheat shipments to persuade India to take a more tolerant view of our military activities in Vietnam. Determined to demonstrate their sovereignty, the Indians predictably stepped up their criticism of our bombing of North Vietnam. Angered, President Johnson responded by slowing down our wheat shipments at the very moments they were most needed. This left scars".⁶

As a matter of fact, after becoming Prime Minister, Indira Gandhi had stated that strong nationalist governments in the countries of the region were the only answer to Chinese expansionsim which the Americans at the time were claiming to contain in Vietnam. She also conveyed to the US Vice-President during his visit to New Delhi that American presence in Vietnam was a violation of the Geneva agreement. In fact, she started building direct contacts with the Vietnamese leaders. The warm personal letter which Ho Chi Minh sent to her in reply to birthday greetings confirms this conclusion. She had already made up her

5. *Ibid.*, p. 119.

6. M. L. Gujral, *US Global Involvement* 1975, *op. cit.*, pp. 306-307.

mind on Vietnam even before the Americans began bombing Hanoi. But after the event, she became more vocal. In a joint press statement with Soviet Premier Kosygin, issued at the end of her Moscow visit, Indira Gandhi called for an end of bombing of North Vietnam and made references to the nefarious activities of imperialist powers. So when the Indian leaders began to openly criticise US bombing of Hanoi, American policy-makers became more hostile to Indira Gandhi. As a result, their reliance on Pakistan further increased. It is possibly in this period that Pakistan must have started sending feelers, both to Washington and Beijing, with a view to bring about a reconciliation between the two countries.

However, Indira Gandhi did not confine herself to pointing out the danger of escalation of war in Southeast Asia. After the Americans had stepped up their offensive against Vietnam— achievement of political and economic freedom by all countries, building of a better world and preservation of peace were outlined by her as the main tasks facing the nonaligned countries during her visit to Cairo, Brioni and Moscow. She reiterated the call for a world disarmament conference with participation not restricted only to UN members but to all nations.

The 1967 general election saw the end of the domination of the Congress monolith. The party of Gandhiji and Nehru that had ruled supreme for close to twenty years was cut to the size of an ordinary political party — albeit the largest political party in the country. This created new problems for Indira Gandhi and she started devoting her attention mainly to internal economic and political problems. International developments too continued to attract her attention.

On Arab-Israel conflict of 1967, India took up a clear position and as a member of the Security Council it worked for cessation of hostilities. However, in the beginning of June 1967, the US permanent representative at the UN headquarters warned that Washington would regard any attempt by India to come in the way of his country's moves in the UN on the West Asian crisis as 'an unfriendly act'. But Indira Gandhi not only resisted this American pressure but also domestic opposition and extended support to the Arab cause. Speaking in Parliament, she said that India's support to the Arab cause would strengthen the ties with the Arab people. She also referred to imperialist intrigues in West Asia, the

fight against traditional and new forms of imperialism which the Arabs were waging and how India's anti-imperialist traditions demanded that we should support the struggle.⁷ The Prime Minister addressed personal messages to President Johnson, Nasser and Tito and Premiers Kosygin and Wilson. In her letter to Soviet Premier Kosygin she offered to coordinate policy with the Soviet Union in the UN and other forums on the West Asia problem since both the Soviet and the Indian points of view were identical. It was after this development that American President's special envoy Raymond Hare started building pressure on India to abandon her policy on West Asia. But he did not succeed in his mission.

In the late sixties, major developments were taking place in this region. The chief among them was the twisting of the myth of the invincibility of the American military machine. In South Vietnam a Provisional Revolutionary Government was set up (June 1969) after the collapse of the American military machine. The whole sequence of events in East Asia, including the capture of the US embassy in Saigon, were harsh facts that made the warlords of the Pentagon look morons who did not know what to do with the only capacity they had, that of inflicting destruction.

Within India, this development gave strength to those Indian leaders, Indira Gandhi in particular, who were resisting American machinations at every step. It was in this situation that Indira Gandhi took a series of bold steps including the nationalisation of banks — an issue on which Morarji Desai resigned. The election of V. V. Giri as the President of India, split the Congress. And this marked the beginning of a new phase in India's external and internal policies. It was natural because by that time two other major developments had taken place, which had a direct bearing on India's security and sovereignty.

US secretary of state William Rogers announced that Washington was 'reviewing' the question of lifting the so-called embargo on arms supplies to Pakistan (May 1960). With the prospect of an end to the Vietnam war and return of peace to South-east Asia, US began showing concern over Indian championship of genuine nationalist forces in the region and her resistance of US imperialism. Pentagon, therefore, evolved a strategy to rekindle tensions with

7. *Link*, New Delhi, June 11, 1967.

a view to keep India occupied with problems of national security.

Realising that the time was ripe for a confrontation, General Yahya Khan claimed that he needed arms because of the "continuing unresolved dispute with India over Kashmir", showing that he would not hesitate to back Pakistan's illegal claim to a part of Indian territory by armed struggle. Though the strategic value of Kashmir had dwindled as far as the global strategy of American imperialism was concerned because of advanced military technology, its political value still remained as long as Pakistan could be instigated to work up tensions with India.

Moreover, there were also clear indications that Pakistan had agreed to become a 'go-between' for resumption of contacts between Beijing and Washington. Confirmation came from the loud support the American press had started giving to the idea of a Washington-Beijing rapprochement on the basis of the thesis that all 'dissident' communist countries should be encouraged to the end, of isolating and perhaps encircling the Soviet Union. As a matter of fact, by that time Sino-Soviet rift had already burst in the open. After an incident on little Damansky island near Inan, on March 2, 1969, hundreds and thousands of Chinese were brought by special trucks to Beijing for an anti-Soviet demonstration. Soon after this incident, Chinese started questioning the 'unequal treaty' signed in 1860 in Russia, according to which Ussuri river became the frontier between the Soviet Far Eastern maritime territory and Manchuria.

On 31 July 1969, Nixon visited India and discussed the problem of Asian security at a meeting with the Indian Prime Minister. Indira Gandhi told him about her plan for a convention guaranteeing the security of Asian states but the President talked about the Nixon-Kissinger Guam doctrine which promised American support in the event of "the threat of a major power involving nuclear weapons". For the rest, defence was the responsibility of the countries concerned. India and no use for the pernicious Nixon-Kissinger doctrine.

At about the same time, Kissinger included India in his Asia itinerary at Keating's suggestion. Mrs Indira Gandhi did some plain speaking to him as no assurance regarding supplies was forthcoming. India's fears about the extent of US axis with Pakistan increased when it became known that Pakistan had during

Kissinger's visit to Islamabad arranged a Kissinger-zhou meeting to discuss and fix a Nixon visit to Beijing. New Delhi realised that the United States had made a major change in its China policy and India was up against a Pakistan-United States-China axis. The American secretary of state warned the Indian ambassador that if China joined with Pakistan to attack India, America would not come to India's rescue.⁸

In the late sixties, the situation in Pakistan rapidly deteriorated. In the eastern wing of Pakistan there was deep rooted resentment against the ruling junta. The Bengalis felt that they were being economically and politically exploited by West Pakistan. There had been language riots in Dacca and other towns in 1952, when attempts were made to foist Urdu as a national language. There was a long standing and growing disaffection among the Bengalis that they were not given their due share in the services, particularly in the armed forces and the police. The per capita income for East Pakistan was 30 per cent less than it was for West Pakistan in 1959, and it declined by another 30 per cent by 1969. Pakistan's foreign exchange earnings came mainly from jute and tea grown in and exported from East Pakistan, but the aid received from the United States and the world bodies was directed mostly to the development of West Pakistan and building up its industry of consumer goods which were sold at high prices in East Pakistan markets. As the East Pakistan struggle for autonomy gathered force, Ayub was forced to resign and hand over power to Yahya Khan on 28 March, 1969. Yahya Khan superseded the national and provincial assemblies and declared martial law throughout the country. To appear East Pakistan, he announced on 28 November 1969, the breakup of a one-unit Pakistan and the restoration of the old provinces and abolition of parity between East and West Pakistan.

Elections were held according to schedule. In the eastern wing, the National Awami Party of Mujib-ur-Rahman swept the polls and won 167 seats out of 169, securing an absolute majority in the national assembly with a total of 315 seats. In West Pakistan, Bhutto's People's Party emerged as the second largest in the coun-

8. M. L. Gujral, *US Global Involvement, A Study of American Expansionism*, 1975, pp. 312-313.

try winning 88 seats out of 144. Yahya Khan called a session of the national assembly for 3 March 1971. Its first task was to frame a constitution for the country. Bhutto and the West Pakistan elite did not want the national assembly with Mujib's party in majority to meet and they succeeded in pressurising Yahya Khan to postpone the session of the assembly. Then came a phase of genocide of Bengalis in East Pakistan. Mujib was arrested and a reign of terror — murder, arson and rape — was unleashed. The Bengali intellectuals — university men, engineers, lawyers, doctors and the Hindu minority — became the victims of the worst genocide that was ever witnessed. Tikka Khan, "the Butcher of Baluchistan and Begal", and his men were on a killing spree.

When the limit of West Pakistani atrocities was crossed, the nonviolent Bengali struggle changed into violent resistance. Young Bengalis organised themselves into small groups and equipped themselves with what weapons they could — sticks, knives, spears, country guns and hand grenades. The Mukti Bahini came into being and together with the units of the East Bengal Regiment which mutinied, harassed the Pakistan army during the rainy season. Pakistanis believed that after the rains they would fan out and destroy the pockets of resisters but by the time rains were over, Mukti Bahini had gained enormous strength. The ten million refugees that crossed into India were an economic burden India could not shoulder for long. The daily expenditure on them was in the neighbourhood of thirty million rupees. But that was not all. Their prolonged presence in West Bengal posed a serious threat to communal harmony and peace of the country. What was India to do?

Even at this stage India wanted to avert a military conflict with Pakistan. Foreign minister Swaran Singh made a trip to London, Moscow and Washington. In Washington, Swaran Singh was told that the happenings in East Bengal were an internal affair. Though the US secretary of state Rogers assured Swaran Singh that America had already suspended all financial and military aid to Pakistan, this was a blatant lie. Even before Swaran Singh reached India, US papers reported that two US ships were being loaded with arms for Pakistan. India, therefore, realised that relations with Washington could not be worse than they were. However, Indira Gandhi visited the United States in November 1971 and

made a last attempt to avert the war. She requested Nixon to use his influence and persuade Yahya Khan to come to terms with the Bengali leaders and create conditions conducive to the return of refugees. Nixon simply cold shouldered her. The American President was concerned more about the maintenance of Pakistan's so-called integrity than about the exodus of ten million refugees or human rights and liberty.

Though Pakistan had been carrying on a vicious propaganda against India for months, its tirade assumed a new dimension in the late 1971, its new slogan being 'Crush India'. On November 25, Pakistani dictator said that in ten days "Pakistan may be fighting a war".⁹

On 3 December 1971, Pakistan launched an Israeli type attack on India with a view to crippling the Indian air force. Five days later, Pakistan made a frantic appeal to the United States for more arms and ammunition. India learnt from its mission in Washington that Nixon was seriously considering invoking the 1954 Mutual Security Pact between the United States and Pakistan and coming to the latter's rescue. At a public meeting held in Delhi, Indira Gandhi made a spirited speech and warned the United States in no uncertain terms. She said, "I hear that some countries are trying to threaten us and saying that they have some treaties and agreements with Pakistan. I did not know this earlier, because whatever agreement there was, as far as I know, had been forged to form a pact against communism. It was not a pact to fight democracy. It was not against the voice of justice. It was not meant to crush the poor. But if it was so, then they told a big lie to the world."¹⁰ She had more facts in her possession and perhaps had come to the conclusion that a policy of 'Vietnamisation' of the Indian subcontinent was being implemented. Even when the US administration had conceded that US F-86 aircraft, tanks and other deadly weapons were being used to crush the movement in Bangladesh, arms continued to reach the military dictator of Pakistan. In a testimony before the Senate subcommittee on refugees, the general accounting office, watchdog of the US Congress, admitted that US air force was airlifting to Pakistan on a priority basis, five lakh dollars worth aviation spare parts in July 1971.

9. *Ibid.*, p. 314.

10. *Ibid.*, p. 315.

About the same time, in a hearing before the same committee Kennedy placed two documents regarding the sale of arms to Pakistan. One document was signed by air force Col. L. G. M. Hill regarding the authorisation of spare parts for B-57 bombers, C-150 transport planes, F-104 starfighters, sabre jets, H-43 helicopters, T-33 and T-57 trainer aircraft. The second document was signed by US navy Captain C B Adams for the supply of cartridges and minesweepers.

According to a report published in the *Times*, the Pakistani ship SS Padma was preparing to sail on June 22, 1971, from New York harbour to Karachi. It was carrying eight aircraft, parachutes, tons of spare parts and accessories for aircrafts and military vehicles. The cost of the weapons was 22 lakh dollars. This was followed by other ships like the *Sunderban*, the *Rangamati*, the *Shahabad*, the *Multan* and the *Al Hasan*, loaded with arms.

This is how during the Bangladesh crisis, Washington was doing everything possible to escalate the tension and thereby create conditions for an armed conflict between India and Pakistan.

As a matter of fact, Washington had already started an undeclared war against India. Although the administration described India as 'invader' the fact remains that Nixon sent plane-loads of arms to Pakistan five days before Gen. Yahya Khan threw his gauntlet at India. The White House rushed arms to Pakistan on November 29, 1971 to provoke India. A heavy transport plane of the US air force C-147, was flown from an unknown place to Karachi airport in a most dubious manner. This cargo plane was spotted by the Indian air force immediately after its landing at Karachi airport. Soon after the report of this clandestine delivery reached the general staff headquarters of the Indian army, General Manekshaw summoned the American military attache in New Delhi, Colonel William King, to his residence. The chief of the staff lodged a strong protest against the delivery of military cargo to Pakistan.¹¹

Nixon was beside himself with rage. He first warned India and then soon ordered the Seventh Fleet led by the nuclear powered aircraft carrier the *Enterprise* to sail to the Bay of

11. Vinod Gupta, *Anderson Papers*, New Delhi, 1972, p. 19.

Bengal. What could be the aim of sending the Seventh Fleet to the Bay of Bengal? At first, it was said that the ship was coming to evacuate 300 Americans from East Bengal. It was also said that it would evacuate the Pakistani forces. According to Jack Anderson who based his views on unpublished documents in his possession, the US had four reasons for doing so:

1. to compel India to divert both ships and planes to shadow the US task force,
2. to weaken India's blockade against East Pakistan,
3. to divert the Indian aircraft carrier Vikrant from its military mission, and
4. to force India to keep its aircraft on advance alert, thus reducing their operations against Pakistani ground troops. "Evacuation of Americans", he wrote "was adopted more as the justification than the reason for the move".

However, the Pakistani forces were completely demoralised by the first week of December 1971, and a surrender seemed imminent. But this surrender was delayed because Pakistan expected an open intervention by Washington.

It appears that America had actively considered to intervene in Indo-Pak hostilities. This is confirmed by the proceedings of special action group which met on 8 December, 1971. The text of a memorandum of a meeting of national security council was made public on January 14, 1972, by Jack Anderson. At this meeting Kissinger said "that we are not trying to be even handed..../ The President believes that India is the attacker. The President does not want to be even handed." He went on to bitterly attack Indira Gandhi when he said "The Lady is cold blooded and tough and will not turn into a Soviet satellite merely because of pique."¹²

In the face of a crisis of such magnitude, it is the strength of Indo-Soviet friendship which completely turned the tide. In her characteristic style, Prime Minister Indira Gandhi, through quiet and behind the scene diplomacy, sprang a surprise on the entire world by signing the Treaty of Friendship and Cooperation between India and the Soviet Union on August 9, 1971.

12. *Ibid*, p. 151.

D.P. Dhar who had gone to Kashmir, after giving up his ambassadorship to the Soviet Union, came back to make a trip to Moscow. Even then few knew why he was there. Then came the announcement from Moscow of Gromyko's visit to Delhi. Even then many wondered if it was anything more than a dramatic indication of Soviet Union's known support to India at that critical juncture. Only after the treaty had been signed and sealed that the purpose of the visits became known.

The liberation of East Pakistan and the coming into being of Bangladesh as an independent and sovereign state raised Indo-American contradiction to a higher level. Americans never forgave Indira Gandhi for this. "There are people who cannot forgive me for the independence of Bangladesh, the change in Sikkim, the accord in Kashmir, our achievements in science, our dealing with inflation," she said later.¹³ The United States supported the Pakistanis in the 1971 Indo-Pak conflict for far more complex reasons. They (Pakistan) had done Kissinger the favour of getting him to China in 1971. For Nixon, there was the larger concern of demonstrating to the Chinese—in the first test of a new relationship—that the United States was a reliable ally.¹⁴ Under the rule of Nehru's daughter, the world's largest democracy had, in foreign affairs, become bound to the Soviet policy. Worse, it was drifting into an authoritarianism all its own.... The great symbol of American intervention in Indian life was the enormous rupee debt, incurred in payment for grain shipments, notably in the mid 1960s. The grains were eaten and soon forgotten. The debt remained, equal to a third of the Indian money supply, to be paid if ever, by our great-great grandchildren. Already it was being put about that far from being an act of generosity, the wheat had been 'dumped' on India to sustain American farm prices.... There was no great respect for India in the Congress....¹⁵

This is how American policy makers expressed their hostility towards India in the early seventies. Washington, therefore,

13. Indira Gandhi, *Interview to Socialist India*, 1975, p. 93.

14. Daniel Patrick Moynihan, *A Dangerous Place*, New Delhi, 1978, p. 14.

15. *Ibid.*, p. 17.

started restructuring its policy in subcontinental India.

There was yet another factor, a very important factor which influenced American policy in the South Asia. After its unification, in July 1976, Vietnam became the third largest communist state in the world, with considerable natural resources, a confident, cohesive leadership and a population approaching 50 million. With American weapons seized during the fighting of 1975 and highly trained battle-hardened armed forces, Vietnam was, in military terms, a new power centre in Southeast Asia. This gave a new dimension to Indo-American relations because India was not only in the forefront in giving moral support to the cause of the Vietnamese people but had already built close relations with the countries of Indochina. The emergence of India as the dominant power in this part of the region and its special relationship with the Soviet Union hurt the strategic global interests of America.

The seventies can be regarded as the most important landmark in the evolution of Indo-American relations. India had gone in for major changes which had vastly affected not only it but the rest of the world as well. It is true that India's international standing has been rising throughout the entire post-war period but it is also beyond dispute that it entered a qualitatively new stage in the seventies. This new stature of India coincided with the attacks on the colonial system. The empires were collapsing and mankind was nearing the end of the historical process of wiping out colonial bondage. Eighteen countries became independent between 1971 and 1978.

It will not be incorrect to say that during the 36 years of relations between the US and India, Washington's efforts were directed specifically at making India renounce Nehru's legacy and its independent foreign policy and at drawing it into the orbit of pro-American orientation. This resulted in contradictions in the relations between the two countries on key international questions, such as detente, disarmament, especially nuclear disarmament, the declaration of the Indian Ocean as a zone of peace, the nonaligned movement, and some others. Further, the approaches of India and the US to many regional problems, the problems of South Asia, and Middle East and South-east Asia in particular, are fundamentally different. US-Indian

relations have always been influenced by the geopolitical interests of Washington.

After the advent of the Reagan administration in 1981, the problem of relationship with India began to be viewed from the standpoint of the general US military-political strategy aimed at confrontation with the Soviet Union. To the developing countries, this implied reliance, first of all on those regimes which could become conductors of American influence in one or another region. In South Asia, the United States is trying to strengthen its economic and political ties with Pakistan. According to American experts, US-Indian relations are now, probably, at the lowest level in a decade.

The basic cause of the fundamental contradictions between the two countries is their conflicting perceptions on crucial international problems, the unwillingness of India to participate in the large scale campaign against the newly liberated countries and the socialist world, which has been intensified by the Reagan administration.

Such factors as the further development of economic, diplomatic, military, scientific and cultural relations between India and the Soviet Union, the refusal of India to support Washington's anti-Soviet campaign in connection with the situation in Afghanistan—its unwillingness to take part in any actions against the Democratic Republic of Afghanistan, and its calls for a political solution of the problem through talks and with the participation of the Afghan government—beget Washington's indignation. This principled stand of India is a serious obstacle in the way of the implementation of Washington's design to unite the neighbouring countries of Afghanistan, on the platform of anti-Sovietism. The USA is also unhappy with India's recognition of the People's Republic of Kampuchea headed by Heng Samrin, and establishment of diplomatic relations with it.

India supports many Soviet initiatives directed at lessening tension between states. It thinks that the situation in the world continues to cause grave concern largely because of the US stand, specifically on the problems of the Indian Ocean. Washington keeps actively opposing the proposal of a zone of peace in the Indian Ocean. The continuing escalation of American military presence in the Indian Ocean, and enlargement and

modernisation of the Diego Garcia base have also inevitably become a source of tension in relations between the United States and India.

Today, there are 30 US military bases in the Indian Ocean area, while more than 40 warships are cruising. All this, undoubtedly, not only creates a direct threat to the security of India, but also damages its economic interests, including the plans for prospecting and extracting minerals from the seabed and oil in shelf areas, oil supply from the Middle East, the exploration of the Antarctic, and Soviet-Indian economic traffic via sea lanes in the region.

New Delhi watches with anxiety the growing US-Pakistani military ties and the expansion of US-made combat equipment supplies to Pakistan, fearing these weapons would be inevitably used against India. All this marks the beginning of a new round of the arms race in the subcontinent, increases the danger of outbreak of another military conflict, and is a hurdle in improving the situation in South Asia.

Economic problems have an important place in relations between India and the US. These include questions connected with economic aid which has totalled 11,700 million dollars over the entire postwar period. US aid is given on very tough terms and widely used by Washington as an instrument of military-political pressure. Though India is a major borrower, Washington does not agree to defer payment thereof; nevertheless, similar requests made by Pakistan have been granted.

There are serious differences between India and the US in the sphere of bilateral trade, which reached 3,000 million dollars in the 1982 fiscal year. But the balance of trade has nearly always been in the United States' favour. The basic reason for such a situation lies in the numerous restrictions placed by the US administration on the import of Indian commodities.

In the summer of 1980, in violation of the obligations it had assumed, the US considerably increased customs duties on a number of Indian manufactured goods, including textiles and leather footwear. As a result, many trade deals were cancelled with the Indian companies concerned sustaining considerable losses. Washington does not conceal that these measures are directed, above all, against the growing processing industries

under the public sector in India. The US, as is believed by Indian economic observers, is thus trying to put India in an unequal position and to force her to be just a supplier of raw materials to America's industry.

The US stand in international economic organisations, such as the International Bank for Reconstruction and Development, the Asian Development Bank, the International Monetary Fund, World Bank and others, is also anti-Indian in character. In these institutions, Washington uses its influence for toughening the terms of granting loans, for imposing on India demands for a long-term restructuring of its economy, particularly for encouraging private capital investments. For instance, as admitted by Donald Reagan, the US finance secretary, the US has on 25 occasions in the postwar period officially opposed the granting of credits to India by the World Bank. Owing to the obstructionist policy of the US, India's access to other international organisations has also been put in jeopardy. For instance, Washington has objected to India getting a loan of 2,000 million dollars from the Asian Development Bank.

Indira Gandhi courageously neutralised the consequences of America's anti-Indianism. A country of India's size can never be bailed out of its difficulties by any country in the world, or even by a combination of countries. It must become self-reliant. This slogan is being raised not merely from the point of view of national pride, as sometimes the western press had made out. This policy has been evolved because it is necessary for our country and people, so that we stand on our feet.¹⁶ The affluent countries look at the world from their point of view, whereas each country is conditioned by its geographical position and its historical traditions and each country must decide for itself where its interests lie. Some of the affluent countries have been directing the affairs of the world or are trying to do so all these years, and now when there is greater unity amongst the nonaligned, they don't like it very much. With the resources and knowledge which the world has, we could all together help raise the poorer nations and that would not reduce the strength

16. Indira Gandhi, Speech at a meeting of Port Trust and labour leaders, August 6, 1975.

of the big powers.¹⁷ This raises the question why India has become the butt of criticism of the western countries? But what are the systems and the countries they are supporting? They are not supporting democratic system whether we take countries of Latin America, or whether we take the countries of our own subcontinent.¹⁸ The western press has consistently had different standards for different countries. India must be nonviolent; even if we have aggression against India we should not fight back. Why? Because Gandhiji believed in nonviolence, it is argued. Why do you keep an army, we are again and again asked? When we wanted to have steel, the same thing was said that a country like India has no business going in for steel, going for big industry.¹⁹

Indira Gandhi had a premonition about her last hour and met it worthily as befits one who has completely fulfilled her life's tasks. A day before she was assassinated, in her last speech at Bhubaneswar on October 30, 1984, she asked: What is the meaning of freedom, if somebody is hungry? And she went on to say that when we achieved political freedom our task was not complete. Actually, the real work started from that point and the Congress took upon itself two things: One, democracy should be nurtured, because until each and everybody's voice is not heard, freedom will not be complete. And, secondly, Congress adopted the path of socialistic pattern of society. Without economic equality and without equal opportunities to all, freedom cannot be considered as complete. If there are acute inequalities in the society, the schism between rich and poor will widen resulting in increased tension.

And a day before this speech in an interview to a Mexican journalist, Indira Gandhi said that the acquisition of extremely sophisticated aircraft by Pakistan was causing "much disquiet in India as it places all our installations within their range". Pakistan received military help in the name of fighting the Soviet Union and communist China. But those weapons were actually

17. *Ibid.*, Interview with Mexican journalists on July 24, 1975.

18. Speech at New Delhi on September 19, 1975; Speeches of Indira Gandhi, Ministry of Information and Broadcasting publication, New Delhi, p. 140.

19. *Ibid.*, p. 146.

used against India. It was difficult for us to forget this experience at a time when Pakistan is again being supplied with military hardware. They say it is to safeguard it from possible threat from Afghanistan. Pakistan has on several occasions let it be known that it will not fight the Soviet Union. It is a good friend of China.²⁰ Next day, on October 30, 1984, she was more forthright when she said that American arms supply to Pakistan was a matter of 'deep concern' and pointed out to the happenings not only in Pakistan but in Sri Lanka, in the Indian Ocean, in Diego Garcia in particular.²¹

As Indira Gandhi's thrust for self-reliance, nonalignment and anti-imperialism sharpened, American imperialism worked out a comprehensive policy. The three main components of this policy were—military encirclement of India, encouraging internal subversion to Balkanise India and using economic levers to deflect it from the path of self-reliance. She was fully aware of this. That possibly was the reason why Indira Gandhi did not hesitate to tell those whom she met in the last phase of her life that "they were after my blood". But this did not deter her and as she herself put it in her last speech: "I shall continue to serve until my last breath and when I die, I can say, every drop of my blood will invigorate India and strengthen it." Nonetheless, after Jawaharlal Nehru, she embodied the wisdom, the big heart and great soul of the Indian people, their striving for making India prosperous, great and above all the standard bearer of anti-imperialism.

20. *Patriot*, October 29, 1984.

21. *Ibid.*, October 31, 1984.

TEN

Arms Race and the Third World

There is a general trend in the country to look upon the national security problem only in terms of Pakistan and China and not in the overall global perspective. Such a narrow view exacts a high price in terms of security and threats which could be anticipated. In today's world, 80 per cent of the global military expenditure is incurred by the industrialised countries. They carry out 97 per cent of all military R & D and are responsible for 97 per cent of the world's armament exports. It is, therefore, unrealistic to talk of the security of any developing country, either in isolation or as part of a limited region.¹ This arms race has the most adverse and direct effect on the development of the newly liberated countries. In the sixties and the seventies, the newly liberated countries were drawn deeper and deeper into the quagmire of military expenditure. In these two decades, their military expenditure increased fivefold. The share of the developing countries in defence expenditure rose from 5.7 per cent to 15 per cent in these years. Saudi Arabia, Egypt, Brazil, Indonesia and Iran, under the Shah, accounted for one half of the military expenditure. This is significant because most of these countries are aligned with Washington.

It is also important to note that West Asia is the biggest military spender among the developing countries and this expenditure has been growing after the Arab-Israel war of 1973, and the

1. See K. Subrahmanyam, in *Indian Express*, New Delhi, March 12, 1984.

recent Iran-Iraq conflict. In recent years, this region has been spending more than 18 billion dollars a year on defence. Again, West Asia has the latest and most sophisticated military hardware.

Under the Camp David agreement, the US has committed itself to annual arms supplies both to Egypt and Israel. Between 1980-85, Egypt received nearly four billion dollars from Washington as credits to modernise its armed forces. However, Israel continues to be a privileged client of Washington. According to an estimate, American arms supply to Tel Aviv had reached 12 billion dollars by 1980 alone. By the end of the seventies, this region had received American military hardware worth 19 billion dollars.

East and Southeast Asia come next in terms of annual military spending among the developing countries. The American aggression in Vietnam had for a long time forced increased military spending in the countries of the region. After the US defeat in Vietnam, there was, however, a temporary fall in arms expenditure. The eighties, however, saw a recovery and once again military expenditure in this region began rising. One obvious reason for this is the expansionist policy of Beijing, which is laying claims to the territories of all the neighbouring countries, Vietnam and India in particular.

After the recent developments in Afghanistan and the liberation of Bangladesh, military expenditure in this region has enormously escalated with Pakistan having become the kingpin of American strategy for subcontinental India.

Africa's military expenditure too has been increasing rapidly. Whereas a decade ago, the African continent held the last place in terms of military expenditure, by the early eighties, it was spending as much on defence as South and Central America and the Pacific region put together. This new spurt in the military expenditure of this continent is due to a variety of factors, chief among them being a series of army coups, and aggressive actions by the South African racists.

This arms race has been stimulated by Washington during the last two decades for a number of reasons. Buyers of US arms in the third world account for an overwhelming majority of the world population and in the past quarter of a century their GNP

has increased threefold. Till very recently, the developing countries absorbed 40 per cent of all American imports. Moreover, direct American investments in these countries have increased from 5.7 billion dollars in the early fifties to 29 billion till the early eighties—nearly sixfold increase. These countries provide America with half of the 18 strategic raw materials. They account for 64 per cent of all copper prospected in the capitalist world, 63 per cent of tin and 60 per cent of the iron ore. On top of all this, 88 per cent of oil found in the capitalist world as against 64 per cent in 1950, is located in these developing countries. These countries account for 83.5 per cent of the world oil exports. Therefore, when the Pentagon talks of its 'strategic interests' in these countries, it certainly has so-called valid reasons.

In the seventies and the early eighties, these countries have started asserting their sovereignty and independence with greater vigour than before. They have also started restructuring their economies, partly under the influence of the socialist countries and partly the new model of independent economic development evolved by India.

These countries hold a majority of the seats at the United Nations and in other international organisations and have now become an independent and powerful factor in world affairs.

In the postwar decades, under Presidents Harry Truman and Dwight Eisenhower particularly, the United States maintained its relations with the developing countries along the lines it had evolved in its dealings with Latin America within the parameters of what is called the Monroe Doctrine. Developing countries were denied the role of an independent factor in international affairs. Washington came to believe that a 'power vacuum' had been created in the newly independent countries and assigned to itself the role of filling this vacuum. While the liberation movements were considered product of a conspiracy of 'international communism', those countries such as India, which started asserting their independence, came to be treated with suspicion.

Former US secretary of state John F. Dulles once earnestly assured US senators that all revolutionary processes in the world were "part of a single pattern of violence planned and plotted

for twenty-five years". Thus Washington came to believe that the political processes in the developing countries were not independent and therefore, any attempt by these countries to form an independent political group of their own, was also condemned outright. This was the period when the nonaligned movement was described as immoral.

In its bid for world domination, the United States was busy in the first postwar decade creating a network of military and political alliances from the Rio Treaty to CENTO, involving over 30 developing countries, which were thus hitched to NATO's military machine. Militarily, however, the United States always counted on its own might in any serious conflict without placing too much reliance on its satellites.

The line favouring a direct engagement of American armed forces in conflicts occurring in the developing countries became the main element of the Eisenhower doctrine, designed for actions in the Middle East. This concept was closely linked with the doctrine of 'mass retaliation', the main American military thesis at the time. From this point of view, the United States needed the developing countries not so much as military allies or partners, but as places for the deployment of its troops and for the establishment of air and naval bases which would enable it to strike at adversary targets with both conventional and nuclear weapons.

In the meantime, a large group of countries emerged as free nations following the loss by Britain and France of their colonial empires. Feudal regimes too were beginning to crumble in the Middle East, setting the stage for the collapse of those alliances whose members those countries were. Even the backyard of US imperialism in Latin America was no longer as immune as it had used to be after revolutionary Cuba had challenged US' dominance in this part of the world.

Unlike Dulles, President John F. Kennedy and his retinue began to regard the revolution in the developing countries and colonies as being primarily caused by internal socio-economic factors. From then on, American policies were directed to 'head' anti-colonial and revolutionary movements. President Kennedy expressed this most succinctly: "If the title deeds of history applied, it is we, the American people, who should be

marching at the head of this worldwide revolution.... Yet we have allowed the communists to evict us from our rightful estate...."

The 'flexible response' doctrine which was adopted at that time signalled in practical terms a growing American interest in 'local wars'. This, in turn, led to the growing importance of the military factor in US' relations with the developing countries in Asia, Africa and Latin America. The United States began to interfere more vigorously in these countries' internal affairs, implanting American military advisers in their government agencies. A centre was set up in the United States for the conduct of special types of 'anti-guerrilla' operations all over the world and the 'Green Beret', special anti-guerrilla force, was formed which won scandalous notoriety in the Vietnam war.

This gave rise to a paradoxical situation where, on the one hand, the United States was attempting to reduce the far reaching revolutionary processes in the developing countries to superficial 'economic' reforms, and, on the other, it sought to prove that everything that went beyond those transformations had been 'engineered' by the influence of alien, 'subversive' communist forces which should be suppressed militarily.

As a result, any idea of socio-economic reforms in the developing countries was stultified, leaving behind only reliance on brute military force. This latter policy was manifested in the interventionist course introduced by the Johnson administration. Since the world balance of forces had changed, it was only natural for the Johnson line to end in the military and political debacle in Southeast Asia. It was the most crushing defeat for the United States in its entire history, affecting as it did, the whole gamut of its relations with African, Asian and Latin American countries.

Such was the setting for the growing influence of 'political realism' in American foreign policy. This policy of so-called realism was obviously against the policy propounded by Dulles and his followers in the earlier phase. It was in this period that the United States somewhat reduced its armed forces and bases in Asia and Latin America, though it increased military assist-

ance to some countries—Iran, South Korea, Thailand, Philippines and Saudi Arabia.

Nevertheless, even in this phase, Washington did all it could to prevent the countries of the western hemisphere from deviating the foreign policies which it had imposed on them. The fascist coup in Chile, strengthening of military regime in Brazil, the economic blockade of Cuba, graphically illustrate this point. As some experts have put it, American policy towards the developing countries was undergoing some change on the basis of its experience in Vietnam, though its main direction continued to be of creating global 'balance of power'. But under the Carter administration, US policy towards developing countries was revised, a manifestation of the serious internal and external crisis which American imperialism was facing.

The Carter administration, unlike the Kennedy period, decided to drastically cut economic 'aid' to the developing countries. President Kennedy had proposed large scale projects of economic aid to the developing countries, because his aides felt that the larger the economic aid to the developing countries, the brighter would be the prospect of keeping them tied to the capitalist world. But it appears that the Carter administration reversed this trend and had decided to place more reliance on military aid. It is not surprising, therefore, that the share of the money the United States had been allocating to help the developing countries started declining and in the early eighties, came down to 0.27 per cent of its GNP. The relative size of economic aid to the developing countries by America came down to the thirteenth place among all the capitalist countries.

It was in the late seventies that this new emphasis on placing reliance on its military strength in dealing with the developing countries started manifesting clearly. In August 1977, the Carter administration decided to establish a Rapid Deployment Force for operations in Asia, Africa and Latin America. The year 1978 witnessed greater aggressiveness in American approach towards the developing countries. This change was reflected in NATO's decision to adopt a longterm arms build up programme. In the same year, the United States took part in NATO operations to suppress an uprising in Zaire. Also in the

same year, Washington officially declared that the areas which are rich in oil are part of 'America's vital interests'. Long before the Afghan developments, the United States declared that it intended to militarily protect oil rich areas regardless of whether or not the countries, in whose possession these resources were, had asked for such protection or not. After the anti-Shah revolution in Iran, Brezezinski was rather more outspoken when he said that the emergence of "an arch of instability, which can be drawn on a map from Chittagong....to Aden", called for redistribution of American military might for security reasons.

As a logical result of this new direction of American policy Washington started taking an open stand on the crucial question of making the Indian Ocean a 'zone of peace'. On the other hand, it decided not only to 'stabilise' its military presence in the area but began an unprecedented buildup of its naval and air forces. It also dropped the idea of pulling out its troops from South Korea. Instead of closing its bases abroad, it began to expand them as it had done on Diego Garcia and acquired new ones in Oman, Kenya and Somalia. Now it is engaged in setting up its bases in Pakistan, Sri Lanka and Bangladesh.

Casper Weinberger said on 18 June, 1981, that the navy was the most important instrument with which to demonstrate American military power in far off regions. Navy plays a central part in the Pentagon's operational plans for the Rapid Deployment Joint Task Force (RDJTF), which has been set up as a special instrument of military power to prevent progressive changes in the third world countries. In conjunction with the RDJTF, the navy is to give air support and enter action in land battles by supplying sea-based E-2 Hawkeye radar planes. Since a majority of the developing countries do not have any anti-carrier defence, its use does not involve any risk.²

The Marine Corps units incorporated in the American fleets will launch surprise attacks on strategically important points, such as airfields and harbours. To open the way for the RDJTF, amphibian landing craft have been selected for this task. These ships have a displacement of 40 thousand tons and carry up to

2. J. Lehman, *Aircraft Carrier: The Real Choice*, Washington Papers No. 52, London, 1978, p. 43.

two thousand marines with their complete combat gear—tanks, artillery and vehicles, including amphibious vehicles and heavy helicopters for landing. The United States has a total of twelve landing crafts. Such is the nature of RDJTF and the role which the navy is to play, under the new American strategy. As a matter of fact, to ensure the so-called stability of the reactionary regimes in the oil producing areas of the Middle East and Near East, the American military-political leadership has arranged for placing three multipurpose carrier groups at the disposal of the newly established Central Command (CENTCOM) to act as a part of the Rapid Deployment Force.

Of late, Washington has been making active efforts to knock together a NATO type military grouping in the Far East. It was not accidental that during his talks in Japan at the end of 1983, President Reagan came out with an appeal that the US-Japanese alliance should be developed into a Pacific alliance. The foundations for this alliance have already been laid by the 'Washington-Tokyo-Seoul' triangle. Obviously, Washington wants to include other Asian countries too in this net. In keeping with Washington's strategy, therefore, Japan is becoming a forward line of American nuclear weapons, including first strike weapons. New American bombers are based on Japan's territory and American aircraft carriers with nuclear weapons on board regularly call at Japanese ports. Washington is building pressure on Tokyo to speed up the implementation of the plans for military patrolling of a 13,000 kilometers zone in the Pacific. Plans to block international straits are also being worked out now.

On the other hand, CENTOM has been entrusted with the work of coordination of the activities of warships, aircraft and advanced rapid deployment units in Asia and in the Middle East. As many as 19 independent countries of these regions are included in CENTOM's zone of action. CENTOM is paying special attention to the Gulf region. It is, of course, supposed to ensure reliable access to the Gulf's oil deposits. In keeping with the directives of the Pentagon, the United States must be ready at any moment to move its troops into the region, even without obtaining the consent of the local governments. What has been going on in Lebanon and what has happened in Grenada clearly

portray the new strategy of the Pentagon.

Pentagon has also decided that during 1985-89, five 'light' attack infantry divisions for acting in the mountains and deserts "resembling Iran's landscape" would be set up within the CENTOM's framework. But there is something more to it.

In the spring of 1983 a 'competent' commission under General Skowcraft and some arms manufacturers prepared a report. This report suggested that in the 1990s, new strategic Midgetman missiles should be deployed. In the same period, the US President advanced a plan for setting up a largescale ABM defence, contrary to all the earlier commitments of Washington. This plan would keep all airspace industry running at full capacity up to the second decade of the next century.

The arms race in the third world countries, therefore, has to be seen in this global context. If the current trend of this race under the Reagan administration is not halted, it is likely that modern state monopoly capitalism would be geared to a steadily mounting arms race, while economic and political life would be dominated by the military industrial complex and transnational financial oligarchy.

This new direction of modern state monopoly capitalism needs to be seen in the context of the fact that the military-industrial complex is being internationalised. This is especially true of the United States, Britain, West Germany, France, Italy and Japan. Thus, what can perhaps be described as "military capitalism" has already started surfacing itself. It has ceased to be an ominous spectre. The old concepts of prosperity through armament race are reviving. Experts of the US administration intend to achieve a new economic rise through military orders.

It is in this scenario that American support to the military dictators in our area, stepping up the arms race in our region and above all the military encirclement of India need to be seen. Since a self-reliant and nonaligned India did and continues to rally the world against the arms race, the Pentagon has worked out a neat strategy to reverse the wheels of history in our country. Let us not close our eyes to it and fail to see the growing reality.

ELEVEN

Indian Ocean and the Pentagon

The United States navy did not deploy till 1970 any significant number of fleet units in the Indian Ocean. It had a small presence of three ships in the Persian Gulf. Besides, there was a base at Northwest Cape station which was a very low frequency communication facility at Diego Garcia. US fleets, however, were deployed in Southeast Pacific, in the Mediterranean, in the main Pacific and Atlantic regions. It was obvious that Washington was not very much concerned about the so-called Soviet penetration of the Indian Ocean. Strategically, the Indian Ocean favours an American offensive posture. But the Soviet Union cannot deploy its missile submarines in such a manner against the US targets with the present generation of missiles....On the other hand, a US ballistic missile submarine deployed in the Arabian Sea can target its missiles on the Soviet cities.¹ This is how an Indian defence expert looked at the situation in the Indian Ocean almost a decade back.

How do Indian defence experts look at the situation now?

As of today, the balance of naval power in the Indian Ocean is with the United States. The US navy is very much the cock of the walk. All the ballyhoo in the western press about the "Russians are coming or the Russians are here" will not change the facts as they must appear to any careful observer.²

1. Subrahmanyam, *Motherland*, New Delhi, August 22, 1976.

2. M. P. Awati, Vice Admiral (Retd.) *The Daily*, Bombay, April 6, 1984.

Militarisation and nuclearisation of the Indian Ocean have to be seen in the context of the Pentagon assigning a new role to its naval forces. In this connection, it is relevant to point out that long before this new role was given to the American navy, it functioned as the sheet-anchor of the expansionist policies of Washington. Between 1946 and 1975, US forces intervened on 215 occasions and at least in 177 cases, naval forces participated in such interventions. A West German military expert Kielinger aptly described the role of the naval forces in the affairs of the other countries when he said: "The means of acquiring power must be visible... what we are talking about here is gunboat policy. This term is part and parcel of any power policy."³

The eighties began with a marked change in America's naval policy because as US naval secretary John Lehman said in early February 1983, at a meeting of the American and West European military experts held in Munich: "President Reagan's programme for rebuilding defence, in particular, a stronger reliance on the Navy and Marine Corps has made considerable progress." In early 1981, outlining the Reagan administration's naval policy US defence secretary Casper Weinberger declared that terms like 'equality and parity' made no sense in navy. He had his own reasons for this assertion. As a matter of fact, the US naval forces have been receiving the biggest allocations of all the American armed services, amounting to some 40 per cent of the annual arms budget. The allocation for navy in 1979 was 42,000 million dollars and in the next three years, it had already increased to 72,000 million dollars.

American naval policy today has two main objectives. In the first instance, its forces are directed against socialist countries, the Soviet Union in particular — a point which professional defence experts in India have conceded. Secondly, and more importantly, the American naval forces are directed against the newly liberated countries. In the words of Paulus and Ottenberg, the two well known American military experts, US naval forces should be "prepared for a global confrontation with

3. *Die Welt*, Bonn, February 23, 1983.

the Soviet Union" and should also be able "to intervene in third world politics".

Nevertheless, the real qualitative leap in the military technology of Washington has been in the field of new missiles, notably Trident II, which is now being developed and should solve for the first time the problem of high precision SLBM guidance.

In fact, in the nuclear war scenarios of the US, Trident II holds a position similar to the strategic medium range Pershing, further extended the result would be a dual first strike capability against the socialist countries and the newly independent countries, which occupy a 'strategic' position in the American perception. More disturbing is that this 'dual strike first capability' is being complemented by other first strike capacities — MX missiles, cosmic weapons, nuclear capable bomber wings, chemical weapons and others. In addition, the Reagan administration has drawn up a five year plan for naval rearmament for 1983-87. Under this plan over 100 new naval units will be created costing about 100,000 million dollars. According to secretary of the navy John Lehman, the United States fleet is to grow to 600 vessels of the main categories by 1989. Back in 1981, he wrote: "It is not enough for the United States only to strive for maritime supremacy. Maritime supremacy is an absolute imperative."⁴

It may be mentioned here that the navy plays a central role in Pentagon's operational plans for the Rapid Deployment Joint Task Force, which has been set up as a special instrument of military power to prevent progressive national or social changes in the third world countries.

Notwithstanding the theory of 'superpower' rivalry in the Indian Ocean, the stark reality is that today, in addition to the 'first strategic zone', which includes West Europe and North America, and the 'second strategic zone' in the Far East, the US is actively exploring and exploiting the 'third strategic zone' — the Indian Ocean. And this zone is the homeland of one-fourth of the population on our planet. The deep water plains of the Indian Ocean are rich in minerals and marine foods. The Indian Ocean has long been regarded as one of the world's major store

4. *Strategic Review*, March, 1981.

houses of natural resources. This region particularly accounts for 80.7 per cent of world extraction of gold, 56.6 per cent tin, 28.5 per cent manganese, 25.2 per cent nickel, 18.5 per cent bauxite, 12.5 per cent zinc and 77.3 per cent natural rubber.⁵ That explains why after the fall of the Shah of Iran, the US has increased its military presence in the Indian Ocean.⁶ In the view of the Americans, the combined effect of the revolution in Iran and the Soviet intervention in Afghanistan was to lead to a significant and quite abrupt deterioration in the local geopolitical balance. To compensate for which a military response was not only in order but imperative, according to American experts on the Indian Ocean.⁷

The Pentagon's defence plan for 1984-88 to modernise US armed forces, published recently in a section of the American press, confirms the conclusion that the Gulf and the Indian Ocean would receive high priority next only to North America and Europe from the mid-eighties. The implication of this plan for the people of this region are quite obvious.

After the reelection of Reagan as the President of the United States, it has been decided to spend 30 billion dollars to build up US forces in the Indian Ocean and in Southwest Asia. More than two billion dollars have been allocated for the Gulf region alone.

At present, the US naval task force in the Indian Ocean includes two aircraft carriers of the 6th and the 7th fleets. These are in addition to 17 escort ships, three nuclear submarines and about 100 combat aircrafts. This means that the Pentagon has already deployed the largest task force since the Second World War. Its fire power is manifold, more than the combined capabilities of all the coastal states in the region.

This task force is based in Diego Garcia where docking facilities have already been built for service aircraft carriers and nuclear submarines, together with silos for launching ICBMs, run-

5. Saral Patra, *Indian Ocean and Great Powers*, Paper by A. Nizamov, New Delhi, 1979, p. 10.

6. A. A. Rahim in the Lok Sabha, *Daily Telegraph*, Calcutta, April 30, 1984.

7. Rodney W. Jones, Centre for Strategic and International Studies, Washington, in his paper *US Interests in the Indian Ocean*.

ways that can be used by B-52 strategic bombers and C-5A and C-141 military transport planes. This striking power of the American navy is supplemented by the fact that US satellites are constantly hovering over the Indian Ocean and American AWAC radar planes stationed in Saudi Arabia monitor the entire Gulf region. More than 1.40 lakh Americans are stationed in the various bases built by the Pentagon. These facts, indeed, are chilling.

The Pentagon has also built a series of air force and naval bases in this region in addition to military communication stations. The following is an incomplete list of these bases and centres which has been compiled from various press reports:

1. In Israel, Etsion and Eitam air bases have been set up in addition to a naval base in Sharm-el-Sheikh — a deep water seaport in the Gulf of Akaba.
2. In Egypt, four air bases have been set up at Meras Matruth, Cairo-West, Kene and a general purpose base at Ras Banas.
3. In Kenya, air and naval bases have been set up in Mombasa, Embakazi and Nanyuki.
4. In Oman a naval base in Matrah and air bases in Tamrid, Sib and Salalah and on Masirah island are in Operation.
5. A naval base has been set up in Bahrain.
6. In South Africa, an air base in Capetown, naval bases in Simon's town and Durban are working, besides a monitoring station in Silvermine.
7. In Somalia, air bases have been set up in Mogadiscio, Kisimmayo and Berbers.
8. In the Seychelles, an American air force satellite tracking station is in operation at Mahe.
9. Washington is trying to get access to the sea port of Moroni on the Comoros.
10. In India's neighbourhood in Pakistan, Mehdi-Ye-Koh in Baluchistan has been cordoned off for military purposes. Construction work of a highly complex nature has been in progress for over four years. A major highway has been built which goes right up to the summit of Mehdi-Ye-Koh and connects it with the town of Gwadar, where Americans intend to set up a naval base. America also intends to use

Karachi as its naval base.⁸ An air base in Peshawar is also being reactivated.

11. In Sri Lanka, the Trincomalee Bay is being turned into an American base.
12. In Bangladesh St. Martin's Isles and Manapura Islands are being turned into American bases. But this story of setting up a network of air and naval bases does not end here.

In Australia, the Pentagon has naval and air bases in Darwin, Cockburn-Sound, Lirmont, Adelaide and Hobart as well as monitoring stations in Northwest Cape, Woomera, Alice Springs and Pine Gap. The United States also uses several large scale military installations to the north of Australia on the border of the Pacific and the Indian Ocean. For example, in the Philippines, the Pentagon has the second largest US air force base in the world at Clark Field and a US naval base at Subic Bay.

The US is actively trying to restore its control over the naval base of Sattahip in Thailand. Joint US-Thai naval exercises were held in the Gulf of Siam on January 18-25, 1983.

During his tour of Thailand, Indonesia, Australia and New Zealand in early November 1983, US defence secretary C. Weinberger was never tired of stressing the need to strengthen defence ties between the US and the countries of Southeast Asia based on both bilateral and multilateral agreements like the Manila pact signed by Thailand, the Philippines and the US and the ANZUS, whose members are the US, Australia and New Zealand. The Pentagon chief, according to official circles, showed keen interest in establishing military contacts with Indonesia, largely because of her geographic position.

This chain of air and naval bases will be controlled by the US Central command for the Middle East and Southwest Asia, now known as CENTCOM. This command was set up on January 1, 1983.

The strategic importance of this command can be understood, if we bear in mind that it will exercise control over the territories of 19 sovereign states, including Afghanistan, Pakistan, Iran, Iraq, Kuwait, Bahrain, the United Arab Emirates,

8. Farz Ali, "Baluchistan in Pakistan's Politics", in V. D Chopra (Ed.), *Studies In Indo-Pak Relations*, New Delhi, 1984, p. 83.

Qatar, Saudi Arabia, Oman, North Yemen, Peoples Democratic Republic of South Yemen, Egypt, Jordan, Sudan, Ethiopia, Djibouti, Somalia, and Kenya.

As has already been mentioned, the strength of this command will be second only to the US forces assigned to Europe. Now, it has around 2.30 lakh soldiers, seamen, naval staff and pilots. With its headquarters in the Macdill air base, Florida, the command has decided to double this strength in the mid-eighties. In 1983, the command had five army divisions, two marine corps divisions and ten tactical airwings. The naval leg of the command included three aircraft carriers with escort vessels, five ASW aircraft squadrons, thirteen ships, carrying arms and ammunition — all based in Diego Garcia. When Lt. General Robert C. Kingston, commander of the Rapid Deployment Force said (as reported in the American press) that the new command would have a "clear authority and responsibility for US military activity in the Gulf and the Southwest Asia", he obviously had in mind long term objectives in this region.

Apart from the combat role, which has been assigned to the command, it has also been assigned the role of "strengthening friendly nations *politically and militarily*". This will assume largely the form of 'security assistance'. Thus apart from selling arms and ammunition and training the forces and building the military installations of these 'friendly countries', the Pentagon would give them political and military support as and when the situation demands. The Pentagon's political and military support to Pakistan has to be seen in this context. This is in keeping with the defence guidelines worked out by Pentagon, which clearly stipulate that, "Whatever the circumstances we should be prepared to introduce American forces directly into the region". That also explains why during the last two years, the US military exercises in the Middle East and the Gulf areas have become a regular affair.

In November-December 1981, the Bright Star exercises were held in the territories of Egypt, Oman, Sudan and Somalia, in which the most sophisticated fighter bombers, F-16s and AWACS radar planes were used. These exercises were followed by the Jadw Tiger exercises with a sea-landing in Oman and Somalia. Then came exercises organised by the Rapid De-

ployment Force in Sudan. It has already been reported in the Indian press that some 60 American experts arrived in Pakistan from Egypt to start building secret electronic surveillance stations to monitor military activities in the Indian Ocean and the Gulf areas.

These facts also show how Washington is triggering an arms race in this region as has been explained in the previous chapter. This also explains why American defence expenditure in the five years of 1982-86 will touch the record figure of 2.25 trillion dollars.

Therefore, it would be wrong to conclude that the militarisation and nuclearisation of the Indian Ocean is the result of the so-called 'superpower' conflict or merely is the product of growing international tensions created by the aggressive policies of the Reagan administration. It has to be understood that American policy makers are actually trying to recarve the political map of the world to reestablish their domination, and all this is being done in the name of 'vital strategic interests' of Washington.

To create confusion in the minds of the people, various new theories are being coined such as "political instability in this region", the "arch of crises, which has developed along the Afro-Asian coast of the Indian Ocean" and so on and so forth.

Truth, however, is otherwise. The American defeat in Southeast Asia, the collapse of the Portuguese colonial empire in Africa, the overthrow of the feudal regime in Ethiopia, the anti-Shah revolution of Iran, the anti-imperialist revolution in Afghanistan, the emergence of India as a great political and economic power in Asia — all these factors together compelled American policy makers to reconstruct their global geopolitical strategy and, therefore, what is happening in the Indian Ocean region is naturally a part of this policy.

"Current American concern with respect to the Western Ocean" says Anthony Harrigan, a US expert, is "almost completely related to the need for adequate oil supplies". But not only oil supplies, 'Strategic planners', he goes on to say "cannot ignore the fact that the United States depends on Indian Ocean routes for access to strategic minerals, materials in Africa, including chrome ore, antimony, asbestos, copper, lead, nickel

and uranium" — a point which we have already dealt with. This fact needs recapitulation because since the mid-seventies, America has been facing an energy crisis as well. Therefore, American military experts are deeply concerned over the regular flow of oil and other strategic materials from this region. This is the crux of the problem. That explains why in 1974, the then US secretary of state Henry Kissinger had openly declared that the United States would not rule out the possibility of using military force to ensure an uninterrupted flow of Middle East oil to, what he called, the free world. Of late, however, certain other ominous developments have started taking place in the Indian Ocean and these developments have practically gone unnoticed in this region.

In addition to Diego Garcia, where nuclear weapons have been deployed, the US has been using for almost two to three years now several bases in Australia to ensure patrolling by B-52 strategic bombers carrying nuclear weapons. Almost every year, the Australian ruling circles admit that US nuclear submarines call at the Sterling naval base at Cockburn-Sound and hold joint manoeuvres with the Australian navy. This means that the two elements of the US strategic triad — B-52s and strategic nuclear weapons — are permanently based in Australia for all practical purposes.

It will not be incorrect to say, therefore, that Washington is trying to extend its net by involving its other partners in the nuclearisation of the Indian Ocean, the NATO countries in particular. There is sufficient evidence to prove this fact. Several countries of the Middle East, such as Israel, Lebanon and Syria have already been included in the zone assigned to the headquarters of the command of the US forces in Europe based in West Germany. Although the agreement of 1949 set the NATO southern border as going along the Tropic of Cancer, that is, to the north of the Equator, in November 1972, the NATO council directed the Atlantic Allied Command to do operative planning for the zone of South Atlantic and the Indian Ocean. Since then other NATO countries have been evincing active interest in the Indian Ocean.

In 1980, a group of West German warships entered the Indian Ocean for the first time and without any reason. Again, during

her visit to the United States in early 1981, British Prime Minister Margret Thatcher expressed her willingness to contribute to the implementation of US strategy for the Indian Ocean zone. French military presence too in this region has been growing in recent years. France has over fifteen warships stationed in the Ocean, including destroyers carrying guided missiles. Nearly four thousand French servicemen are stationed in Djibouti. A smaller French force of all the three services is stationed at Mayotte, an island of the Comoro archipelago to the north of Madagascar, and on the Reunion island. As a matter of fact, France has her own version of the Rapid Deployment Force, which includes 12 thousand strong airborne division stationed at Corsica — the 11th division — and seven thousand strong marine division — 9th division — stationed in Bretagne. A special 31st brigade has been formed by France, which is equipped with tanks and other heavy equipment to support these units.

South Africa is not lagging behind in this respect. It has set up a rapid strike force, which will act in cooperation with the US Rapid Deployment Forces. This is why Pretoria's naval commanders have been emphasising that they have to defend an extensive region, stretching "from Africa to the South Pole and from East coast of the country deep into the Indian Ocean".

Washington's idea of sponsoring joint exercises by Turkey, Pakistan and Egypt with American participation conceals more than what it reveals. This concept has two purposes. It is aimed at extending NATO presence into the Gulf and the Indian Ocean regions. Secondly, the Pentagon wants to tie up Egypt and Pakistan militarily with Turkey, and thus openly align these countries with the chariot of NATO. Pakistan's growing ties with Turkey, which is a NATO ally, also need to be seen in this context.

Another aspect of American strategy in the Indian Ocean is the advent of a growing military cooperation between Washington and Tokyo. The understanding is that America will protect Japanese interests in the sea routes that connect the Pacific and the Middle East in a zone between the Japanese archipelago and the islands of Bonin, Guam and Taiwan. That the US-led ANZUS bloc and Japan cooperate in the military field is confirmed by, among other things, the Rimpac multinational exer-

cises. Japanese warships and planes joined these exercises at least on two occasions.

China has its own strategic interests in the Indian Ocean. Though at the moment, its main efforts are aimed at provoking a confrontation between the Soviet Union and the US, with a view to establishing its domination, Chinese mass media have been emphasizing that many hundred years ago, their country had explored the Indian Ocean. Beijing is sore over the fact that over 200 islands and shelves in the South China sea were temporarily lost'. They have to be 'liberated'.⁹ The takeover of the Paracel Islands by China in 1974, and the 'teaching a lesson war' against Vietnam in 1979, are convincing evidence showing that the Chinese do not intend at all to confine themselves merely to rhetoric when it comes to territorial expansion to the South. It may also be mentioned here that China's southern fleet includes 300 warships and is growing. China's submarine fleet rates third in the world, next only to the United States and the Soviet Union. It has designed its own nuclear submarines and has conducted flight tests of intercontinental ballistic missiles from them. Therefore, the possibility of China deploying its navy in the Indian Ocean, after its modernisation, should not be ruled out.

Considering the length of the lines of communication from China's main naval bases in the yellow Sea, East China Sea and the South China Sea to the blue waters of the Indian Ocean, Beijing is likely to have started exploring the possibility of seeking bases in other countries. In fact, some western defence experts have predicted that it may soon spring many surprises in this area. There are others who claim that China had sent feelers to the Shah of Iran for obtaining port facilities and setting up strategic installations in Iran. There are still others who claim that behind the scene, the Chinese have started exploring the possibility of getting port and other facilities in Burma, Thailand, the Maldives, Sri Lanka, Pakistan, Bangladesh and Tanzania. Nevertheless, there is no clear evidence available at the moment to draw any firm conclusion on this aspect of the Chinese policy, notwithstanding the fact that subjectively the Indian

9. *People's Daily*, Beijing, June 26, 1977.

Ocean has a key position in their geopolitical perception.

However, it cannot be denied that western military bases and naval forces in the Indian Ocean have been used in local conflicts in this region. This itself is a very disturbing development. It is now known that the British military airfield on Gan island of the Maldives was used as a stopover base by Pakistan to airlift its forces from western to eastern Pakistan during the 1971 liberation struggle of Bangladesh. Again a task force of the US seventh Fleet, led by the Enterprise aircraft carrier, was despatched to the Bay of Bengal to pressurise India and thus prevent her from backing the liberation movement. In recent years, according to Baluchistan leaders living in exile, a group of Pakistani officers have been receiving special training in combat cooperation with the US Rapid Deployment Force. This training was imparted in Diego Garcia. Again, American arms were airlifted from Diego Garcia to Mogadiscio in Somalia to destabilise Ethiopia. The point under discussion is that Diego Garcia has already started performing the role of a launching pad for suppression of nationalist movements in the region. This is confirmed by other facts also.

At the height of US-Iran crisis in January 1980, US aircraft carriers Nimitz, Coral Sea, Kitty Hawk, Midway, Constellation and others cruised in the Indian Ocean waters — a fact the American press itself had reported. In March-April 1980, when preparations for a US military action against Iran were under way, a marine taskforce led by the helicopter carrier Okinawa was despatched to the Arabian Sea. The tonnage of the US warships that were stationed in the Indian Ocean in the first half of 1980, totalled 4.40 million. They were carrying 325v planes, 38 helicopters, about 28 thousand servicemen, nearly two thousand marines and a thousand paratroopers. It appears that this strength of the US forces in the Indian Ocean has considerably increased, though no facts are available to substantiate this fact. But this American presence in the Indian Ocean at that stage was directly connected with the internal developments in Iran.

Again subversive exercises have been organised in the Indian Ocean region. In May 1978, a band of subversive elements from France and Belgium led by one Bob Denard toppled the revolutionary government of the Comoros, killing President

Ali Sualih and bringing back to power the former President Ahmed Abdullah, a person committed to protect western interests in the Indian Ocean. American pressure on Mauritius is too well known including the attempt to assassinate Paul Beranger, the general secretary of the Movement Militant Mauricien (MMM). In November 1981, a group of South African mercenaries made a coup attempt in Seychelles with a view to toppling the nationalist regime of President Rene and bringing back to power J. Manchan, a western stooge.

As far as the Soviet Union is concerned, it certainly has navigational interests in the Indian Ocean, for sea routes passing through it are the *only round the year* open marine communication link between the European parts of the USSR and its Far East regions. In fact, from 1955, with the advent of economic cooperation with India and other newly independent countries of Asia and Africa, the Indian Ocean assumed importance for Soviet merchant shipping. Merchant vessels, hydrographic ships, oceanographic ships, fishing trawlers, ships for recovery of spacecraft constituted the 'menacing' Soviet naval presence in the Indian Ocean. Therefore, unlike the United States, the Soviet Union has never had military bases in the Indian Ocean nor has a presence of strategic forces — aircraft carriers or nuclear submarines.

Soviet warships, such as destroyers, patrol boats and mine sweepers that are temporarily stationed in the Indian Ocean — no more than four to six warships and auxiliary ships at a time — are not capable of performing any offensive mission. "The Soviet Union has never had, and has no intention now, of building military bases in the Indian Ocean", said L. I. Brezhnev addressing the 25th Congress of the Communist Party of the Soviet Union. "And we call upon the US to take the same stand", he rightly demand.

Two lines have clearly emerged on the crucial question of making the Indian Ocean a zone of peace. The countries of this region want concrete and specific steps to achieve this objective and have been pressing that all the military bases in this region should be dismantled, the Diego Garcia in particular. But at every step Washington has blocked this move.

In its resolutions adopted in 1979 and 1980, the United Na-

tions General Assembly asked the committee on the Indian Ocean to organise an international conference for the purpose of implementing the proposal to proclaim the Indian Ocean a zone of peace, which was to be held before the end of 1981 in Colombo, the capital of Sri Lanka. The 1980 resolution received support from all UN member countries, including the United States. However, after it joined the committee in February 1980, Washington sabotaged its work in a most flagrant manner. Thus, at the February session of the committee, devoted to organisation matters of the proposed conference, US opposed the admission of new members to the committee. It was supported by the NATO countries. Countries which had sought admission included the German Democratic Republic, Poland, Bulgaria, Romania and Yugoslavia, which make extensive use of the waters of the Indian Ocean. They wanted to join the committee so as to make their contribution for turning the Indian Ocean into a zone of peace. The USA simply killed the Colombo conference in endless discussions of procedural matters.

During the five sessions of the broadened committee, the United States and its allies, with the support of China, openly opposed the convocation of the conference in 1981, and showed a desire to pigeon-hole it indefinitely.

New arguments were now advanced to block the conference. They 'reasoned' that the presence of the limited contingent of Soviet troops in Afghanistan made it 'impossible' to hold the conference. It was argued that since the Soviet Union had armed forces in certain areas of its own territory, there could be no peace zone. In the same breath, the American delegate tried to explain the huge US military presence in the Indian Ocean on the ground that it had to help littoral countries and safeguard vitally important sea routes. The American delegate failed to respond to a request by the delegation of Iraq for a list of countries which had requested American military presence in that area.

The sabotage by the United States and China notwithstanding, the committee began its session in February and March of 1981, with a practical discussion of questions to be included on the agenda of the proposed conference. A group of nonaligned countries proposed that the conference be held in August 1981,

at Colombo and submitted a draft agenda providing for a discussion of the political situation in the Indian Ocean area, the principles and characteristic aspects of the problem and a programme of action to implement the declaration on turning the Indian Ocean into a peace zone. The thesis of the rivalry of the great powers receded into the background and the committee could thus adopt a concrete programme of preparations for the conference on the Indian Ocean.

Socialist countries expressed their readiness to support both the date of the conference and its draft agenda. However, the US representative, speaking in an arrogant and haughty tone, typical of the present American administration, stated that as long as Soviet troops remained in Afghanistan and as long as there was not consensus in the committee on all aspects of the peace zone, the United States considered it impossible to set a date for the conference and even to continue the preparatory work. He demanded that the committee should not busy itself with preparations for the conference. It should draft a report to the General Assembly on the causes that made preparations of the conference impossible.

This statement evoked indignation in the nonaligned countries which castigated the American representative for actually supporting 'aircraft-carrier diplomacy'. They reiterated their support for the proposal to hold the conference in August 1981. Nevertheless, at the session of the committee that opened on June 1, 1981, the United States continued to torpedo the prospects of the conference.

In welcoming and supporting the idea of holding the conference as it was planned in 1981, the Soviet Union proceeds from its consistent and clear stand on the demilitarisation of the Indian ocean.

Addressing the Indian Parliament in December 1980, Leonid Brezhnev set forth a number of concrete proposals directed at radically improving the situation in the Persian Gulf which had become the most explosive area in the whole of the Indian Ocean region.

Since then this conference has been postponed thrice and the prospects of holding this conference in 1985 seemed bleak. In the ad hoc committee's discussions held on September 7, 1984

at the United Nations, the United States and Britain had contended that the 'present international situation' was not conducive to the holding of the conference. America again brought the question of the presence of Soviet armies in Afghanistan.

If the world conference on the Indian Ocean is not held in Colombo in the foreseeable future, and this is precisely what the United States and its allies are desperately trying to achieve, the real purpose of the conference would be defeated. It is not difficult to know this. The five year plan of the 'strategic exploitation' of the Indian Ocean as evolved by the Reagan administration would become operative. This would mean that in the late eighties, US military presence in the Indian Ocean would reach a qualitatively new stage. Therefore, Washington wants to scuttle any move directed to make the Indian Ocean a zone of peace. If the Pentagon plan is executed and the American navy further entrenches itself in the Indian Ocean, it would have a direct bearing on India's security. Those who still subscribe to the theory of 'great power rivalry' in the Indian Ocean, are either blind to the reality or are trying to divert the attention of the people from new American schemes for this region.

TWELVE

Military Encirclement and the Role of Pakistan

The string of military bases, set up or being set up around India in Pakistan, Bangladesh, Sri Lanka and above all in Diego Garcia and the military buildup by China all along the Sino-Indian border cannot be seen in isolation. India is being threatened now by a new US-Pak-Sino axis as never before. Their military machine with naval bases and stockpiles of nuclear arms, the US CENTCOM and Rapid Deployment Force in the Indian Ocean and the springboards they have set up for prospective aggression, the building up of aggressive capabilities of Pakistan, including nuclear capability, and the way China is providing the remaining arch to complete the axis, should leave no one in doubt that never since its independence India has faced such a grim situation.

With the increased militarisation of the Indian Ocean, the growing presence of foreign fleets and highly sophisticated arms, including nuclear weapons, the danger to India is all pervading—land, sea and air.¹ The situation in the Indian Ocean is not one of mere confrontation between the super powers, but the presence of navies of other nations in the ocean does not augur well for peace and stability of the region.² The U.S. profession of concern over nuclear proliferation in the context of its continued military aid to Pakistan, in spite of the evidence

1. Indira Gandhi, in *Deccan Herald*, Bangalore, July 21, 1984.

2. *Ibid.*, September 25, 1984.

compiled by the Americans themselves on Islamabad's nuclear programme, is questionable.³

Against the backdrop of continuing reports about the supply of more and more sophisticated military hardware by the USA to Pakistan, the recent disclosures by columnist Jack Anderson about a security linkup between them and the latest proposal of the US administration seeking congressional authorisation to station military personnel in Pakistan "on a regular assignment" to "enable Pakistan to make effective use of US arms" call for a careful examination of India's security environment. Prima facie, these arrangements are tantamount to a close security relationship.⁴

Before we examine this new US-Pak security partnership, certain other facts need to be recalled.

The last thirtyfive years have seen a number of important changes in the area of the Persian Gulf. The most outstanding change has been the discovery and rapid exploitation of the area's immense oil reserves. It is often forgotten just how recent is the development of the Persian Gulf oil industry. It is true that oil was first discovered in Iran, at Masjid-i-Sulaiman, in 1908, but it was not until the Second World War that production in Saudi Arabia and Kuwait began to reach any measure of importance. In 1939, the Middle East produced less than six per cent of the world oil; by 1971 the area contributed almost 35 per cent of enormously expanded global total. In the early seventies over 700 million gallons of oil per day passed through the Strait of Hormuz—chiefly to consumers in western Europe and Japan.

Possibly, the most important aspect of Persian Gulf oil, however, is its enormous potential rather than its present level of production.⁵ That explains the role which has been assigned to Israel in this region. However, till the anti-Shah revolution, Iran occupied a very important position in the imperialist scheme. Iran, of course, is one of the biggest reservoirs of oil.

3. Indira Gandhi, in *Times of India*, New Delhi in her address to army commanders conference, October 12, 1984.

4. R. G. Sawhyney *Strategic Analysis*, New Delhi, April 1984, p. 11.

5. R. M. Burrell, *The Persian Gulf: The Centre for Strategic and International Studies*, Washington, 1973, p.2.

American imperialism too decided that the Shah regime was capable of and willing to perform the role of defender of the American interests outside its geographical boundaries. Thus during the Shah regime, Iran became an important base for imperialism—political, economic and military. This role assumed considerable substance after the revolution in Iraq, the Indo-Soviet treaty, the Indo-Pak conflict of 1971, the birth of Bangla Desh, the Iraqi-Soviet treaty and above all the nationalisation of oil industry by the Arab countries. Washington convinced itself of the need to strengthen the Shah regime.

At the other end of the Gulf, the heart of the Arab Peninsula, where the biggest fuel reservoir of the world is situated, the Saudi Arabian regime stands as a close ally of American imperialism. It has permitted the US to set up a military base in Tehran.⁶ But after the fall of the Shah of Iran, and the Revolution in Afghanistan, the role Shah was playing was assigned to Pakistan. It is separated from the Soviet border by Afghan territory. Its shores are washed by the Indian Ocean, where peace-loving nations are demanding that this region be turned into a zone of peace. This explains why the 'vacuum' created by the fall of Shah in Iran and Daoud in Afghanistan, it has become a jumping off ground for the Rapid Deployment Force.

Washington's reported intention to station Pershing-2 nuclear missiles in Pakistan cannot be dismissed lightly. It is part of the general pattern of Pentagon's worldwide nuclear preparations. US defence secretary Caspar Weinberger indirectly declared that in deploying new nuclear missiles the American administration would not limit itself to western Europe. Washington wants to station these missiles as far from US territory as possible. By deploying their Pershing and Cruise missiles far from American shores, they want to make peoples of other countries, whether they are in Europe or in Asia, their hostages in line with the Pentagon's nuclear strategy.

It is, therefore, not accidental that the western press has reported work on the construction of two naval bases in Kmara and Givini on the Arabian sea coast. Pakistan is also building

6. "What is happening in the area and whither", *Baghdad Observer*, Iraq, 1973, pp. 54-55.

new airfields and vast storages for military hardware arriving from America. Significantly, CENTOM has issued a new strategic map of South Asia, on which Pakistan is marked as an area fit for stationing the Rapid Deployment Force. American involvement in the military buildup of Pakistan has already converted India's neighbour into a 'bridgehead state' of Pentagon.

Reports about the decision of the Pentagon to station Pershing-2 nuclear missiles in Pakistan could be the result of the view of American defence experts about the need to deploy nuclear weapons in Asia. The US has already brought nuclear weapons to Japan and South Korea. It intends to place them in Turkey too. Admiral William Crowe hinted at the American administration's plans to station Cruise missiles in Southeast Asia. Maybe, he had Pakistan in mind.

Jack Anderson's disclosure that President Zia has promised to "allow US planes to use Pak airfields should the Soviet bombers threaten the Persian Gulf from Afghanistan," "needs to be seen in this context.⁷ Another aspect of this new US-Pak security relationship is the possibility of these airfields being used by US AWACS, SR-71 and RC-135 etc. for intelligence gathering over India. It is a mistake to believe that Pakistani airfields would be used by America only for intelligence gathering in the Persian Gulf areas. Such a capability exists even without the use of Pakistani bases. This implies that gathering and sharing of intelligence between Pakistan and America will extend to India also—intelligence collected by satellites; high level reconnaissance by SR-71, AWACS and electronic monitoring. The US is already in a position to monitor developments in India through its Indian Ocean satellite. The wherewithal and capabilities of a superpower in the field of intelligence gathering are far more extensive and sophisticated as compared to those available even to other developed countries, not to talk of those available to third world countries.⁸ Therefore, it is not enough for us to direct our attention to the military buildup of Pakistan by America. It has various other facets. Intelligence

7 As quoted by R. G. Sawhney, in *Strategic Analysis*, New Delhi, April 1984, p. 12.

8. *Ibid.*, pp. 21-22.

sharing will have a "manifold force multiplier effect" ⁹

Threat to India's security arising from the new military relationship between Pakistan and America has assumed a new dimension. Supply of sophisticated arms, chain of naval and air bases being built in Pakistan as an integral part of the Pentagon's military strategy for this region, integration of Pakistan with the Rapid Deployment Force, proposal to base Pershing-2 nuclear missiles in Pakistan, gathering and sharing of intelligence—all these developments need to be seen together.

The world press has extensively reported Islamabad's nuclear programme aimed at creating its own atom bomb, notwithstanding the claim of its military rulers that their entire programme is directed to use nuclear energy for peaceful purposes. The truth, however, is that the Reagan administration has gone out of its way to help Islamabad make its own atom bomb. White House has financed Pakistan's atom bomb development programme, in violation of the international treaty on the non-proliferation of nuclear weapons. Attention to this was drawn by Alan Cranston, member of the Senate committee on foreign relations, while speaking in US Congress, early 1984.

Some defence experts, including specialists of the Pentagon, believe that Pakistan has already achieved the capability to put out such quantities of enriched uranium as is necessary to produce six bombs annually. According to this estimate, Pakistan will be able to accumulate 30 nuclear bombs by 1990. There are others who have predicted that Pakistan will explode its first nuclear bomb in 1986, after it has received the remaining 28 F-16 fighters and all other American weapons under the bilateral deal of 3,200 million dollars.

According to a declassified report submitted to the director of the Defence Nuclear Agency of the US defence department by 90 American scientists and government/experts, Pakistan has "the documentation, equipment, plants and personnel enabling it to produce several units of nuclear weapons a year." A clandestine atomic enterprise is operating intensively in Kahuta now. Work on the processing of plutonium at the

9. *Ibid.*, p. 22.

Pakistan's Institute of Nuclear Science Technology continues at a fast rate. The nuclear arms design team has been enlarged and the volume of imports of components of nuclear warheads from the West has been increased. In fact, several Pakistani enterprises are working for the nuclear programme. A secret enterprise for plutonium processing at the Pakistani Institute of Nuclear Science and Engineering has been working for the last many years. Factories have been set up for the production of heavy water in Multan and for nuclear fuel in Karachi.

When a Pakistani national N.A. Waid was arrested in the United States in early 1984, he told the custom officials that the cargo he was carrying contained 'official equipment'. In fact, he was carrying components of a nuclear device which included 50 high speed switches used in the starters. This was not the first case of this type. A batch of zirconium used for building atomic reactors was detained at New York's Kennedy airport. Supplies of this metal to foreign countries without special permit are prohibited in the United States. The purchaser was a retired Pakistani army officer. Before this incident, Canadian police confiscated America-made electronic equipment used for enriching uranium. This consignment was to be shipped to Pakistan. These were not isolated incidents. For years, equipment for manufacturing atom bomb was being transported to Pakistan, though illegally. As a matter of fact, Pakistan purchased equipment for nuclear weapons from Britain, France, Switzerland, Italy, Sweden and Federal Republic of Germany.

Pakistani nuclear scientist Abdul Qadir Khan is a gifted scientist. He started his career as a metallurgical engineer and studied in Belgium and Holland, and then began working for a scientific research laboratory in Amsterdam, which belongs to West German-British-Dutch concern URENCO. He married a Dutch woman and at one stage was thinking of acquiring Dutch citizenship, according to the French newspaper *Le Nouvel Observateur*. He, however, managed to worm his way into the confidence of his chiefs and they sent him to work at the top secret atomic centre in the Dutch town of Almelo and there he had the chance of studying the process of the concentration of uranium in a centrifuge. Late in 1975, he left URENCO and re-

turned to Pakistan.

In 1984, in an interview to the Pakistani Urdu daily *Nawa-i-Waqt*, he said that Pakistan had reached uranium enrichment capability and if it were to decide to manufacture that bomb, the scientists in that country were in a position to do so. He also claimed that Pakistan has achieved technological capability in regard to uranium enrichment at par with the US, the USSR, France, China and the UK and a consortium of three European states—West Germany, UK and Netherlands. He said that in respect of the uranium enrichment technology Pakistan had overtaken India and he was justifiably proud that Pakistan was now able to achieve in about seven years what took the European consortium 20 years to achieve.¹⁰

It is relevant to recall that the Symington-Glenn Amendments forbid the US from rendering aid to states which are on the threshold of producing nuclear weapons without adequate safeguards against their use. But when Reagan came to power, everything changed. The President declared that the resumption of American aid and the "restoration of confidence" was the best way to check a nuclear arms race. US secretary of defence Casper Weinberger was even more outspoken when he declared that Washington was not against a "friendly country accumulating nuclear weapons."

Bypassing its own legislature and the warning given by Senator Alan Cranston, the Reagan administration granted a loan of 3.2 billion dollars to Pakistan for buying the most sophisticated military hardware. What is its implication for India's security?

This means that in the coming one or two years, Pakistan will have dozens of nuclear bombs as well as 40 F-16 jets which are in reality vehicles of their delivery to targets. On top of all this, Pakistan has already concluded an agreement with West German missile-making firm Otrag, to receive a large batch of intermediate-range missiles. The idea behind it is to put together missiles from West German made components.

Pakistan continues to be on the top priority of Washington. In 1985, it will be the largest Asian beneficiary of American aid,

10. K. Subrahmanyam, in *Times of India*, New Delhi, February 29, 1984.

nearly all of it military, followed by the Philippines and South Korea. President Reagan in his aid budget to the Congress asked for 655.67 million dollars for Pakistan, for fiscal year beginning October—dollars 325 million for the purchase of US military material, dollars 250 million for security assistance and dollars 25 million for development assistance.

Giving testimony before the house foreign affairs committee in the first quarter of 1984, General Tixier said:

“We appreciate the hospitality Pakistan extends to US Navy deployed in the Indian Ocean and Persian Gulf. These port visits are the sort of cordial interaction that reflect healthy, reciprocally beneficial, state to state relations.”¹¹

Behind this hospitality to American warships is concealed the new role Pakistan has started playing in this region.

Though Pakistan attacks Israel and the Zionists day in and day out, objectively speaking, Islamabad has begun playing the same role as Tel Aviv played in the sixties.

After Israel was created, its links with America increased rapidly and these links took a new turn after the Suez War of 1956—an event which sounded the death-knell for British and French imperialism in the region. During the last three decades, American commitment to turn Israel into the most decisive military factor in the Arab world has been total. Through its qualitative military superiority in the Middle East, Washington has been providing military assistance to those countries which are friendly to it. According to one report Israel has more than 200 nuclear weapons, though it has not carried any nuclear test since the days when tests began being monitored internationally. As in the case of Pakistan, in Israel's case too, the US has not invoked its nuclear non-proliferation law. There are other common features in Washington's policy towards Israel and Pakistan.

Through various political and ideological instruments, both these countries are taking aggressive postures towards their neighbours, Israel on the pretence of defending 'Zionism

11. As quoted by Girish Mathur in *The Daily*, Bombay, February 24, 1984.

against communism' and Pakistan on the plea of 'blocking Soviet expansionism'. Within the two countries chauvinism and religious revivalism have become state policies.

However, the most important common feature to both is that they are not only militarily and politically aligned with America but internally their economies are becoming part and parcel of US military capitalism. In Israel, this process has already reached a fairly advance stage while in Pakistan, this trend has begun to emerge very rapidly.

The integration of Pakistan's economy with military capitalism in America is the most outstanding feature of the last one decade. That explains why defence gets priority in Pakistan's budget, with Rs. 30,375 million out of a total outlay of Rs. 98,550 million allotted to it for 1984-85—a record increase of 20 per cent.

Pakistan's defence expenditure is almost three times that of India in terms of percentage of Gross National Product (GNP), according to the International Institute for Strategic Studies, London.

Even in terms of percentage of the total government expenditure Pakistan spent 45.6 per cent—the fourth highest in the world—on defence compared with India's 27.6 per cent in 1984-85. India's per capita defence expenditure is three dollars as against 21 dollars of Pakistan. Pakistan's military expenditure in reality is higher, if one takes into account the huge quantities of arms it receives from the US at a fraction of their actual price. Also, Pakistan has considerably smaller territory to defend than India.

It will, therefore, not be incorrect to say that the army, Muslim revivalism and dollars are the three mainstays of Pakistan. It is in this sense that Pakistan is following the Israeli model.

History of Pakistan's relationship with American capitalism, however, is complex. This tieup started growing in the mid-fifties, particularly after the US-Pak Pact when Islamabad became the principal ally of Washington in South Asia. US interest in drawing Pakistan into a close alliance developed after the crisis of its strategy in the oil-bearing region of West Asia. But this relationship did not develop in a straight line and has been changing with the changing perceptions of the American

military strategy for Asia.

The Pentagon started militarisation of Pakistan's economy in the sixties. This process gained momentum after the present military regime seized power in 1977. In this process certain significant changes have taken place in the social setup of Pakistan in the sense that military generals themselves have developed vested interest in stimulating tensions and in creating anti-India and anti-Soviet hysteria among the people.

Two factors have greatly influenced the social commitments of staff officers, especially the generals of the Pakistan army. One is the policy of granting land to army officers as well as to members of the civil bureaucracy so that even those who did not come from the land owning classes acquired landed interests and correspondingly a class commitment. Secondly, since the 1960s, many army officers became deeply involved with the business community and some generals and some civil servants emerged as the biggest businessmen in the country. Many were given prestigious and profitable places on the boards of directors of various companies after their retirement. Similiar ties were forged also with large foreign business concerns in Pakistan.¹²

For example, seven ministers were retired generals in 1981, and four retired generals held posts of secretaries in the central government, in charge of ministries. Ex-army officers were appointed to numerous posts at lower echelons of the government too, the most critically placed of them being joint secretaries in charge of the establishment in virtually all ministries, with control over appointments and transfers.¹³

Pentagon's policy of militarisation of economy of a backward and dependent country has its own social and political logic and it cannot be delinked from internal and external policies of the military dictators of Pakistan, their policies towards India in particular.

Of late, Pakistan has begun to evince keen interest in the military encirclement of India. Obviously, on the advice of Wash-

12. Hamza Alavi, "Class and State", in Hasan Gardezi & Jamil Rashid (eds.), *Pakistan: The Roots of Dictatorship; The Political Economy of Praetorian State*, New Delhi, 1983, pp. 66-67.

ington. Since 1978, Pakistan has been trying to enter into a military pact with Bangla Desh. In 1984, Pakistan's defence minister visited Dhaka and during his stay revived the proposal for a military pact. Simultaneously, Washington too began wooing the rulers of Bangla Desh. Dhaka has been lobbying for arms from America. Commander of Western Forces of the US, Lt. General James Lee was in Dhaka in February, 1984. According to Bangla Desh weekly *Ektu*, the purpose of this visit was to draw the country into US plans for the region. Lee conveyed to General Ershad that Washington would be willing to supply arms to Bangla Desh but they would be routed through Pakistan.¹⁴ Visiting Dhaka in January 1985, L Pressier, a member of US senate foreign relations committee, advocated that the United States should build stronger relations with smaller South Asian countries like Bangla Desh to offset Indian influence in the region. This naturally evoked sharp reaction from democratic forces in Bangla Desh. Hasina Wajed, chief of the Awami League said in a statement that Pressier was trying to drive a wedge between India and Bangla Desh.

Both America and Pakistan are active in Sri Lanka also, though in varying degrees. Six, Voice of America transmitters are being set up in Sri Lanka. More interesting is that an old hand of the CIA is coming over there to take charge of the massive propaganda machine. He is none other than Harry Rositzke, at present the station chief of the CIA's Munich bureau. In that capacity, he oversees the work of Radio Free Europe.¹⁵

It has been reported that Sri Lanka has asked for arms and troops from Pakistan at the peak of its ethnic disturbances. But more disturbing than all these facts is the decision of the Ceylong Petroleum Corporation to enter into an agreement with Oroleum (P) Ltd., Singapore, for the Trincomalee Tank Farm Development Project. In fact, the agreement was signed in 1984. This shows that Sri Lanka, one of the authors of the Indian Ocean Peace Zone plan, has given fuel facilities to US

14. Girish Mathur, in *The Daily*, Bombay, February 24, 1984.

15. Manik Ghosh, "Conflicting Perceptions about Threat to Security", in Darbara Singh & Others, *India's Unity and Security: Challenges*, New Delhi, 1984, p. 101.

naval fleet in the Indian Ocean. President Jayewardene has justified this agrément on the ground that Sri Lanka would earn urgently needed foreign exchange. As a matter of fact the US has accorded in the recent period greater priority to Sri Lanka and its maritime facilities than was the case in the past. With all these developments, Sri Lanka's pro-US tilt acquires a new significance.¹⁶

If one pieces together all these developments and looks at them in the global perspective, it will not be difficult to come to the conclusion that the military encirclement of India by the Pentagon has become a stark reality and in this Pakistan is most active.

16. Sreedhar, "An Anatomy of the Trincomalee Deal", in *Strategic Analysis*, New Delhi, June 1984, pp. 238-43.

THIRTEEN

Forces of Internal Subversion and their Global Allies

Jawaharlal Nehru's Foresight

There is widespread impression among some intellectuals that American ruling circles were sympathetic to the Indian people and their freedom struggle. It is only in recent years that Indo-American relations have started deteriorating, they argue. But this hypothesis does not stand the scrutiny of facts. In fact, Jawaharlal Nehru was one of those outstanding leaders who perceived long before we won our independence that American imperialism would follow an expansionist policy. Whatever might have taken place after the Second World War, it was clear to him that the economy of the US would follow an expansionist course and would almost be explosive in its consequences. Would it lead to some new kind of imperialism, he asked. Answering this question himself he said that it would be yet another tragedy if it so happened, for America has the power and opportunity to set the pace for the future.¹

After the International Congress against Colonial Oppression and Imperialism held at Brussels in February 1927, Nehru warned that most of the people, specially from Asia were wholly ignorant of the fact that England, in order to save herself from extinction, would become a satellite of the United States and incite the imperialism and capitalism of America to fight on her

1. Jawaharlal Nehru, *Discovery of India*, New Delhi, 1956, p. 560.

side. Most of the people, specially from Asia, were ignorant of the problems of South America, and of how the rising imperialism of the United States, with its tremendous resources and its immunity from outside attack, was gradually taking a stranglehold of Central and South America. But the people should not remain ignorant about the fact that in the near future American imperialism would be the great problem, even more than British imperialism.²

This thinking of Jawaharlal Nehru coincided with the bitter experience of the Indians who had migrated to America. The main reason of the Indians migrating to America was economic. As early as the beginning of this century, when Indians, Punjabis in particular, migrated to America, they had to face a policy of racial discrimination. In fact, the First World War saw hundreds of Indian emigrants leaving America because of this racial discrimination.³

American authorities adopted a hostile attitude towards those Indians who were settled there and were raising their voice for the political independence of India. A publication known as the *Free Hindustan* had to close down because of the policy of the American authorities.⁴

As a complete contrast to this, enterprising American missionaries started coming to India in the nineteenth century itself and by the end of the last century and in the beginning of the present century, this trickle turned into an avalanche. It is most revealing that these missionaries were financed by American capitalists. John D. Rockefeller of the Standard Oil Company gave huge funds to these missionaries. By and large they tried to wean away their Indian followers from the national movement and those missionaries who supported the struggle for India's independence were recalled to headquarters.

This, however, does not mean that democratic minded Americans did not support our freedom struggle. In fact, in the first decade of this century, an organisation called the Society for Advancement of India was formed under the leadership of

2. S. Gopal, *Jawaharlal Nehru: A Biography*, Vol. 1, New Delhi, pp. 103-104.

3. Sohan Singh Josh, *Hindustan Gadar Party*, New Delhi, 1977, p. 62.

4. From the India Office: No. L/J&P/1430 dated 26.4.1911 and enclosures as quoted in Sohan Singh Josh, *Hindustan Gadar Party*.

Myron H. Phelps to espouse the cause of the Indian people and there were many other Americans who raised their voice in support of India's struggle for independence. But as far as the American government was concerned, it consistently followed a policy of hostility. At every turning point in India's freedom struggle, American ruling circles vociferously opposed it. This attitude of the American ruling circles would require a separate study for any adequate treatment. Yet for the immediate present, some telling facts need to be emphasised.

The Indian national movement entered a new phase in the period between 1905-1910 when Bal Gangadhar Tilak gave a new direction to the national movement and the Congress itself was witnessing an acute struggle between the Moderates, led by Gokhale and the Extremists led by Tilak. It was when the British rulers unleashed a reign of terror in the country. That was also the time when President Theodore Roosevelt said (on January 18, 1909) that if the British control were now withdrawn from India, the whole peninsula would become an arena of bloodshed and violence. He pointedly mentioned in this speech that every well-wisher of mankind, every true friend of humanity should realise that the part which England had played in India had been to the immeasurable advantage of India, for her honour, her profit and her civilisation.⁵ But this speech alone does not reflect the attitude of the American ruling circles towards India's freedom struggle. Soon after deportation proceedings started against Indian revolutionary leader Hardayal, who had taken refuge in America, few American organisations dared to support India's struggle. Members of the Gadar Party were hounded by the American police.

After the First World War when India's struggle for independence assumed a mass character, President Wilson took no notice of the demand that his fourteen point declaration should apply to India also. This attitude of the American rulers did leave a deep imprint of hurt on the minds of the Indian leaders, including Gandhiji and Rabindranath Tagore. Gandhiji said: "It

5. Sydney, Brooks, "American Opinion and British Rule in India" in *The North American Review*, December 1909, p. 776, as quoted in L. Natarajan, *American Shadow over India*, 1952, Bombay.

is difficult to wean the golden calf from the worshippers of Mammon". Rabindranath Tagore after his first three visits to America was so bitter that he swore never to visit that country again.⁶

Summing up the cardinal point of imperialism, *The Post* wrote: "What we call theft and lie, cheating, murder and robbery in personal life receives the nomenclature of imperialism in politics"⁷:

During the Second World War, the question of Indian freedom struggle attracted world attention and every country started restructuring its policy towards India with an eye on post-war developments. American imperialism knew its strength. It, therefore, evolved a dual policy towards India — a policy of building goodwill in India on the one hand, and on the other hand backing British imperialism in suppressing the national movement. American secretary of state Cordell Hull told foreign minister Eden that America "had made a real effort to keep down anti-British sentiment in this country growing out of situation in India." Even American supporters of Indian freedom in America were not spared. They were suppressed and arrested. For instance, during Gandhiji's fast in February, Rev. Ralph Templin and Dr J. Holmes Smith, were jailed for picketing the British embassy in Washington. This happened in spite of the fact that President Roosevelt was aware of the anti-fascist stand of the Indian leaders, Jawaharlal Nehru in particular.

Naturally all sections of the Indian public opinion became critical of the American policy towards the Indian peoples' demand for independence. Gandhiji had the least illusion about the American attitude. As early as 1942, in talks with Chiang Kai-shek, he had said that "they (Britain and America) never voluntarily treat us Indians as equals".

In February 1942, Roosevelt sent Jawaharlal Nehru a friendly message through Edgar Snow, inviting Nehru to write to him. When negotiations with Cripps broke down, Jawaharlal wrote directly to Roosevelt in the hope of involving him in the Indian problem, and stated that there could be no further talks with

6. L. Natarajan: *Ibid*, pp. 15 and 20.

7. Kedar Nath Mukherjee, *Political Philosophy of Rabindranath Tagore*, New Delhi, 1982, p. 279.

the British for the present. But Roosevelt refused to intervene.⁸ However, by the end of 1944, when the military situation improved, the United States confined itself only to making occasional statements supporting the various steps taken by the British. Thus in the consciousness of the Indian people there was no basic difference between American and British imperialism. This was confirmed among other things by the burning of the US flag along with the Union Jack during the revolt of the Royal Indian Navy ratings in February 1946.

However, the United States was one country in the world then which had surpluses. She had escaped the ravages of war. In fact, she had flourished during the war. Not a single shell had burst on the US soil, not a single American home had been gutted. While the death toll of the Soviet Union in the Second World War was over two crores, that of the USA was four lakhs. This made the Pentagon believe that it could dominate the world, including India.

During the last phase of the war itself, Washington started working out its strategy to dominate the world. The CIA was created precisely for this purpose. There is no greater delusion than picturing the CIA as purely an agency of intelligence and thus equate it with the intelligence agencies of other countries. It will not be incorrect to say that 90 per cent of CIA activities are directed to serve the geopolitical interests of Washington. If this were not so, there would have been no need to have the CIA, for, the United States has no dearth of intelligence services. According to one estimate, America has at least ten other intelligence agencies. George Kennan, diplomat and an expert on covert operations, has rightly observed that secret intelligence was a normal feature of the policies of countries long before the Soviet Union or even the United States came into existence. On the basis of his own experience and personal knowledge, Kennan came to the conclusion that American intelligence authorities have carried on in other countries operations which constituted abuse of diplomatic immunity.⁹

8. S. Gopal, *Jawaharlal Nehru: A Biography*, Vol. 1, New Delhi, p. 290.

9. G. F. Kennan, *The Cloud of Danger: Current Realities of American Policies*, Boston, Toronto, 1977, pp. 210-212.

This fact is being mentioned to show that the CIA is not purely an intelligence agency. It formulates and executes policies to conduct psychological warfare in other countries. To this end, it devotes 90 per cent of its resources. What is more important than this is that this concept of 'psychological warfare' was evolved during the Second World War itself by the office of the Strategic Services as early as 1942. It will not be irrelevant to quote from this basic document. It lays down:

"The coordination and use of all means, including moral and physical, by which the end is to be attained — other than those of recognised military operations, but including the psychological exploitation of the result of those recognised military actions — which tend to *destroy the will of the enemy* to achieve victory and to damage his political or economic capacity to do so; which tend to deprive the enemy of the support, assistance, or sympathy of his allies or associates or of neutral, or to prevent his acquisition of such support, assistance or sympathy; or which tend to create, maintain, or increase the will to victory of our own people and allies and to acquire, maintain, or increase the support, assistance and sympathy of neutrals"¹⁰ (emphasis added).

There is no reason to believe that this basic concept as evolved by American experts does not operate now. On the contrary, experience in this country shows that this concept has been further enriched and elaborated after the experience of four decades. Espionage, therefore, is a subsidiary tool of that aim. That explains why an outfit like the CIA has been created, expanded and its operations extended to all walks of life, for without it psychological warfare cannot be conducted.

Ideological Subversion

How has this subversion been organised in India?

British, and now American imperialism, has been practising subversion in many different fields. Ideological subversion to erase from the minds of the Indian people the consciousness

10. War Report of the Office of Strategic Services, Washington, 1949, p. 99.

that they constitute one nation, notwithstanding their diversities in religion and culture, has been and continues to be the most potent weapon in the hands of the imperialists and their internal allies.

Soon after the British colonial regime established its stranglehold over India, particularly after the First War of Independence of 1857 was suppressed, its ideologues started demonstrating that "there is not and never was an India". According to them the first and the most essential thing to learn about India was that the notion that this country was one nation was vulgar and therefore, it was only a geographical expression.¹¹

"India is a variegated assemblage of races, creeds and religions. The more we learn of the people and their ways, the more profoundly must we come to the conclusion that India is not one nation", argued another British civil servant.¹² It is on the basis of this hypothesis that the colonial rulers evolved their policy of 'divide and rule' and all their administrative, political and economic structures were aimed at breaking the spirit of oneness among the Indian people. All the constitutional reforms introduced by the British rulers under the pressure of the national movement had one single objective — of artificially planting in the minds of the people the concept of nation based on religion.

The 1920s proved to be the most crucial decade in India's history. By incorporating the communal composition of different provincial councils in the 1919 Act, the British rulers widened the gulf between the Hindus and the Muslims. This was further strengthened by extending the principle of communal representation and weightages to other elective bodies and services also. The decade saw some of the worst riots in India's history. In Punjab, soon after the patriotic upsurge and the Jallianwala Bagh horror, the government decided to reserve 60 per cent of the posts for candidates belonging to agricultural tribes and gave preference to the Muslims to bring their quota to 50 per cent. As a reaction to this, Hindu revivalists intensified their

11. John Strachey, *India: Its Administration and Progress*, 1888, p. 5.

12. Denzil Ibbetson, *Panjab Castes*, 1883, p. v.

movement for 'shuddhi' — reconversion. This added a new dimension and strength to the forces of separatism and revivalism which registered their final victory in 1947.¹³

British rulers were also keen on creating a separate electoral roll of the untouchables or depressed classes, with guaranteed separate representation, in order to introduce a new element of division and weaken national unity. But for Gandhiji's role in the integration of Harijans — untouchables — in the national mainstream and the firm stand taken by Dr B. R. Ambedkar, Indian history would have taken a different course. In his address to the All-India Depressed Classes Congress in 1930, Ambedkar said:

"I am afraid that the British choose to advertise unfortunate conditions, not with the object of removing them, but only because such a course serves well as an excuse for retarding the political progress of India".

The British were not only alien oppressors but also the greatest disruptive force in India and champions of all reactionary forces. In the early forties Coupland came to India and announced that the Atlantic Charter would not apply to India. Later he prepared the notorious Coupland Plan for dismemberment of India.

It is on the basis of this colonial heritage, including the enormous intellectual inputs by British scholars to ideologically disarm the Indian people, that American imperialism started its operation of destabilisation and disintegration of India and the process began soon after independence.

Revivalism in Washington's Policy

The United States spends enormous amounts on subversion abroad, though it is difficult to assess the exact amount, it being a state secret. The House of Representatives Committee under congressman Otis Pike found that the total intelligence budget was more than 10 billion dollars, which was three to four times more than Congress had been told, and possibly five times

13. V. V. Nagarkar, *Genesis of Pakistan*, New Delhi, 1975, pp. 118-129.

more.¹⁴ American capitalism based as it is on the exploitation of the poor, with its fundamental motivation in personal greed, simply cannot survive without force — without a secret police force. the CIA, FBI and other security agencies are logical and necessary manifestations of a ruling party's determination to retain power and privileges.¹⁵ If we have to understand the CIA, we must first take a look at the socio-economic system that spawned it. American society is a system based on the exploitation of the many by a few who own and control the capital goods that produce the nation's wealth and the financial institutions that are its lifeblood. These powerful few, with their great economic resources, control the political life of the nation. They run a shadow government that makes the basic decisions and relays them to the executive and legislative branches through henchmen placed in strategic positions throughout the federal apparatus. When we examine the role of the CIA, we in fact are analysing the strongarm agency of the power structure.¹⁶

It is the backdrop of this flawless analysis given by the Americans themselves including a former CIA agent, that one has to understand American policy towards India, particularly in recent years. In 1949, Malcolm Hobbs reported from Washington:

"India is to become the next arena for the development of US foreign policy. This decision was taken following recent talks here between British Foreign Secretary Bevin and secretary of state Acheson.... India is seen as an unparalleled opportunity for the US to make up lost ground in Asia."¹⁷

Since both Jawaharlal Nehru and Indira Gandhi followed a policy of nonalignment, anti-imperialism and self-reliance, this 'unparalleled' opportunity of using India as a 'key to Asia' could not be utilised by American policy makers. Therefore, during Nehru's life time itself a neat strategy to destabilise India and instal in power those who were 'friendly' to America

14. *Dirty Work: The CIA in Western Europe*, p. 254.

15. Philip Agee, *Inside the Company: CIA Diary*, New York, 1975, p. 597.

16. Ernest De Maio, *Strongarm of the TNCs: In Unlocking the CIA*, pp. 18, 23.

17. *Daily Compass*, 26 September 1949, as quoted in Dhananjya Singh, *American Octopus over India*, Delhi, p. 6.

began. These moves assumed a new thrust in Indira Gandhi's era. And this can be directly traced to the new tempo of militarisation of the American economy and the coming into power of aggressive and chauvinistic leaders to power, with the election of Reagan as the American President. From a policy of carrot and stick, Pentagon switched over to a policy of blackmail, intimidation and subversion as far as India was concerned. In this strategy, religious revivalism and fundamentalism have become the most effective weapons of internal subversion in India. These observations are based on the concrete realities unfolding in Jammu & Kashmir, Punjab, North-eastern region and in other parts of the country.

Religious values have always been one of the most effective ideological instruments of American ideologues. They have been using this weapon both against liberation movements and socialist countries. The assumption is that social movements under religious banners act as antidotes to modern social thought. Nevertheless, since the mid-seventies 'religious factor' has come to occupy a special place in America's plans to extend its influence. This new trend of 'mind management' on the global plane crystalised after the victory of the anti-Shah revolution in Iran — regarded as the biggest ever defeat of the US, not only for geopolitical reasons but also because what collapsed in Iran was a whole system of social development intensively imposed by the US on a number of developing countries.

In this connection, another point needs to be mentioned. Voluminous books have appeared in America on the global interests of Washington in human rights. Surprisingly, in most of these books there is not even an indirect criticism of oppressive regimes in the so-called Islamic countries, Pakistan particularly. On the other hand, some American scholars have argued, rather subtly, that the human rights struggle should not be pressed too far in those countries, in which the geopolitical interests of America are involved. It has been argued that foreign policy should be based on "man as he is — the mix of children of light and darkness — and not as we want him to be". The central conclusion of the realist critique is that the deliberate effort to act on principles may lead to the ultimate wickedness. For many in the realist school, ousting the Shah of Iran — only to have the

Ayatollah Khomeini come to power — suggests that promoting human rights abroad may undercut its expressed purpose.¹⁸ But this argument does not end here. Increased US dependence on such emerging world powers as Brazil and Saudi Arabia and countries like Israel and South Korea poses a crucial question. Should the United States forego close relations with important nations because of their strategic location or resources, for the sake of making a point on behalf of human rights, ask these American scholars. And they have a ready made answer to this question: "If we stop arms sales to a dictator and France steps into the void, it is not clear that we advance anything except our moral purity". Therefore, they plead that in the case of such countries, the issue of human rights should be raised rather judiciously. And when they come to India, they have a different yardstick. The defeat of the Congress and of Indira Gandhi in 1977 elections, is described by them as the victory of the exponents of human rights. That explains why the military dictatorship of Pakistan and one of the main exponents of 'Islamic rule' has a special place in the global ambitions of Washington.

This aspect of the Pentagon's policy needs to be seen in the context of the fact that the Muslims make up from 80 to 100 per cent of the population in about 30 Asian and African countries, stretching from the Atlantic coast to the Pacific across North and Central Africa. There are more than forty countries where the Muslims form a considerable part of the population. It has been estimated that the total population of countries which have a majority of Muslim population would be around 800 million and in terms of concentration of such population, India occupies the second position in the world.

Therefore, to change the course of developments in the third world, American policy makers are trying to bring together all reactionary forces in the Muslim countries. Naturally, after the fall of the Shah of Iran, Pakistan is being projected, along with Saudi Arabia, as the leader of the 'Muslim world'. Washington, has come to believe that Muslim revivalism will become a cementing force in all third world countries where Muslim population is a major factor. This strategy is backed by military

18. Sandy Vogelgesang, *American Dream Global Nightmare*, 1980, pp. 26-27.

might. The US Central Command covers a considerable part of the Indian Ocean, including the Persian Gulf and the Red Sea as well as 19 Islamic countries.

This phenomenon of 'explosion' of Muslim fundamentalism since the mid-seventies has a direct bearing on India. American political circles believe that Islam and the West have compatible goals. Basically, Islamic states, according to them, are anti-communist. Naturally, Islamic fundamentalism has become a major ideological instrument in American plans. The steep rise of Islamic fundamentalism in Pakistan and the way it has started surfacing in Bangladesh too, do affect Indian secular system in more than one sense.

Muslim revivalism in Pakistan does influence the political moorings of a section of the Muslims in India, particularly those who are emotionally attached to their relatives who have migrated to Pakistan. The problem becomes more complicated because a vast majority of the Muslims are economically still backward and India has yet to make up the lag in their representation in the services. Besides this aspect, Indian secular forces have been following a very shortsighted policy towards Islamic fundamentalism. The result is that even in left-oriented states like Kerala, Muslim revivalism has become an important factor.

Secondly, perhaps more importantly, is the question of Kashmir. Western countries, particularly America, have been consistently following a policy aimed at making the Kashmir question a permanent bone of contention between India and Pakistan. The military rulers of Pakistan have never missed an opportunity to keep this issue alive. It is also well known that Pakistan with the active support of America and China has been backing secessionist elements in Jammu and Kashmir.

America's policy on Kashmir follows its world strategy. Sheikh Abdullah declared in April, 1948: "Most of the Members (of the Security Council) saw Kashmir only as a neighbour of Russia and therefore an essential base in the encirclement of Russia for future aggression".¹⁹

Jawaharlal Nehru said on February 6, 1950, that the pressure

19. *op.cit.* Rajbans Krishen, *Kashmir and the Conspiracy Against Peace*, p. 20.

put on India proved that the Kashmir dispute was not being considered on its merits, but on entirely extraneous grounds. On October 28, 1950, he declared that the Anglo-American powers looked at Kashmir 'through coloured glasses' and often thought of the defence of Kashmir and strategic bases in Kashmir from their own point of view. The *Indian News Chronicle* said in an editorial on January 18, 1951, that the Anglo-Americans "have considered Kashmir less from the point of view of the interests of Kashmiris and more as a potential strategic base against Russia in a world war".

American policy towards Kashmir has not changed in the last four decades. This is why Pakistani rulers continue to harp on the same old tune. In an address to the U.N. General Assembly at the end of 1984, Pakistan foreign minister Yaqub Khan said:

"We are fully conscious that the path that we have chosen for ourselves may be long and arduous, but we shall remain undaunted by temporary setbacks in pursuing the chartered course. . . . We seek a just and honourable settlement of Jammu and Kashmir question".²⁰

What is the path which the Pakistani rulers have chosen to solve their so-called dispute over Kashmir with India?

They reportedly set up camps in Chirat in Murree district and Aliabad near the famous Haji Pir pass in occupied Kashmir to train terrorists who fled India following the army action in Punjab. The training includes commando courses and methods to hijack aircraft. Reliable sources say that some terrorists had corroborated these facts during interrogations. They say that Pakistan has set up a guerilla command organisation to supervise operations in Jammu and Kashmir and Punjab.

The reports add that Pakistan has divided its guerilla force into three formations known as SSG (Secret Subversive Group) comprising Mujahids, Razakars and para commandos. All these formations of guerillas have been allotted different jobs with the main SSG assigned the sole task of supervising operations in the Kashmir valley.

Mujahids, a specially trained group in guerilla warfare that

20. *The Statesman*, New Delhi, October 3, 1984.

unsuccessfully supervised the operations in the Kashmir valley during 1965 Indo-Pak conflict and was later banned, has recently been reorganised and re-equipped with sophisticated weapons. The Mujahids, the reports say, have been placed around Poonch, Rajouri and Uri sectors.

Pakistan has also reportedly built an artillery base at Mehmoodgali near Chirikot commanding post, which is on the uphill of the line of actual control near Poonch. The reports also speak of heavy concentration of Pakistani troops all along the borders and switching of units frequently. These replacements are being mainly massed along the Kashmir borders, during the night hours.

Reports say that trenches are being dug and modern defence equipment installed near the no-man's land in the Sawajian and Bharooti area in the Poonch sector. Work on Ochhi to Kabran Wali road, which would link Aliabad with the Gulmarg sector, is going on in full swing. This 40 km long road is being built with Chinese expertise.²¹

In league with the Sikh extremists, pro-Pakistani elements have been for the past one year or so, propagating that by August 14, 1985 — Pakistan Day — Khalistan will be created and that Jammu area will go to Khalistan and the valley will be taken over by Pakistan. The Jammu and Kashmir Liberation Front (JKLF) and its agents in the valley have been distributing cyclostyled journals produced in Pakistan-occupied Kashmir. One of these, which is titled *Al-Jehad*, carries a map of Kashmir with the legend: "Islami Jamhooria-e-Kashmir". These papers exhort the Muslims of the valley to wage a 'Jehad' against 'Hindu India'. Since the army action in Punjab, a move has been afoot to boycott the Hindus in the valley. Muslims and Sikhs are being asked to unite in this boycott of the Hindus. Jamat-e-Islami plays a leading role in all this.

A large number of Afghan tribesmen too have been reported to have entered the Kashmir valley. There is obviously an element of truth in these reports because no less a person than Jagjit Singh Chauhan has himself admitted these facts, though unwittingly. In a letter to Zahid Mallick, editor of Pakistani

21. *Hindustan Times*, New Delhi, September 19, 1984.

weekly *Hurmat*, he wrote:

"I hope that the people of Pakistan have understood the problems of the Sikh nation and their struggle for freedom. I hope that the year 1985 will bring far-reaching developments in the Indo-Pak subcontinent. The Russians are becoming very impatient in Afghanistan and they are looking forward to an active support from their Indian allies. Mr Rajiv Gandhi, the new Prime Minister, is already under a very good spell of his Russian friends and I think they will utilise this opportunity against Sikhs and Pakistan" (emphasis added)²².

The Role of CIA Agents

It is against this backdrop that the CIA activities in Punjab need to be examined. Any analysis of such operations at the moment has its own limitations, as more facts are yet to be unearthed. It is well known that both in India and abroad, the CIA has been the most active American instrument to promote the Khalistan secessionist movement. In this connection, two revealing facts need to be recapitulated.

Harry Barnes, the US ambassador in India, equated the 'Khalistan' demand with the freedom struggle of the people of Puerto Rico in an interview in mid-June 1983. The interview was widely reported in the Indian press. It may be mentioned here that Barnes has been listed in the authoritative *Who is Who in CIA*, compiled by Dr Julius Mader, though the US ambassador has covered more areas since this publication. And he knows more languages than mentioned there. This controversial book is taken seriously by the Americans wanting to do research on the CIA, as well as those wanting to campaign against them.

It is also worth mentioning that the posting of another CIA operator George Griffin as a diplomat in India in the US embassy was blocked by the government.

Also, a senior American diplomat of the rank of first secre-

22. *Public Opinion Trends, Analyses and News Service*, New Delhi, February 15, 1985, *op.cit.*

tary has been a frequent visitor to Chandigarh in the recent past. During his various visits to this ultra modern city, he has been meeting journalists, politicians and government officials. Obviously, these mysterious visits have some definite link to what was happening in Punjab.

The patronage some US authorities have extended to the self-proclaimed 'Khalistan' leader Jagjit Singh Chauhan, raises genuine fears about America's direct involvement in the present Punjab crisis. "Despite protests from the Government of India he (Jagjit Singh Chauhan) was able to secure an entry visa to the United States in 1982, in March 1983".²³ The version that Chauhan was admitted into the United States without a valid passport for 'humanitarian' (specifically health) reasons, despite Indian protests, appeared to be a fiction that even his fellow-travellers did not take seriously.

"He's healthy like a horse", said Ganga Singh Dhillon, the other active figure claiming to speak for the 'Sikh nation' and trying to whip up secessionist sentiments from sanctuaries in North America, in reply to a question from a correspondent of *The Hindu*.

When an assurance from the US secretary of state to India's external affairs ministry that Chauhan would not be permitted to engage in the advocacy of "violent means to challenge the authority of the Government of India" and to propagate the 'Khalistan' demand, was mentioned by this correspondent, Dhillon laughed. He described the government's credulity as "very childish" and added, "I can tell you one thing for your information. He (Chauhan) has given no commitment to any government".²⁴

Chauhan has been acting in close liaison with Ganga Singh Dhillon, an American citizen of Indian origin, and president of the Nankana Sahib Foundation of Washington. Dhillon has also been canvassing that the 'Sikhs are a separate nation' and is maintaining contacts with the US senators, and persons in the higher echelons of the Pakistan administration.²⁵

23. *White Paper on the Punjab Agitation*, Government of India, July 10, 1984.

24. N. Ram, in a despatch from Washington, *The Hindu*, Feb. 26, 1983.

25. n. 23.

However, this Washington-based anti-India propagandist denied, not in response to any question but on his own, that he was a 'CIA agent'. He described himself as an "independent man, a business consultant with investments" and as a man who had "more money than I can use". After bitterly attacking Indira Gandhi and accusing her of "dancing to the tune of a foreign power, namely the Soviet Union", he predicted that "the next explosion will be like a Jwalamukhi, that will leave everlasting scars on the face" of India. He said that if a meaningful dialogue with the Sikh leadership did not take place, it (Government of India) would be making "the same mistakes Mrs Gandhi's father had made with Jinnah".

It is significant that Dhillon has close contact with the Pakistani rulers. In a letter to Dhillon, written on October 13, 1979, the Pakistani military dictator General Zia offered 'optimum facilities' for the Sikh religious shrine of Nankana Sahib (in Pakistan). Dhillon claims that he has 'personal friendship' with General Zia. Even if one overlooks this direct evidence of the US involvement in the secessionist movement of 'Khalistan', there are other indicators which establish its complicity.

Eugene Ray Clegg, an American school teacher in Islamabad, was sentenced in February 1983, to ten years' imprisonment by a Pakistani military court for smuggling arms. The government story was that Clegg had imported a consignment of rifles for use in his science classes. Islamabad's diplomatic community assumed that Clegg had been selling arms both to the so-called Afghan Mujahedins and the 'Khalistani' secessionists.

In India, CIA operations had to be extraordinarily discreet, because neither the United States nor Pakistan wanted to give any political handle to New Delhi. This intelligence agency's role was largely limited to arranging shipments of arms, paying the bills and training terrorists in the various camps in Pakistan.

Recently, a Pakistani businessman, who had lived long in the United States, started building a tyre factory in Pakistan. It was discovered that some of the crates of 'equipment' delivered to the factory contained arms. The businessman was arrested, released and has now faded from view. Many Pakistani industrialists do not think he would have embarked all by himself on

such a major investment as a freelance arms merchant. The CIA, they point out, was probably a silent partner.

The CIA and Pakistan intelligence establishments were actively involved in the training of anti-India terrorists in specialised camps in Pakistan. This also was corroborated by terrorists apprehended and interrogated after the army action in Punjab in the first week of June, 1984. The information revealed that terrorists and extremists were trained in camps at various places in Pakistan by its intelligence agents, one of whom was designated as 'station chief' and another 'second-in-command'.

Muslims in the guise of Sikhs were trained in Qasur by a brigadier of the Pakistani artillery regiment. Each batch consisted of 300 to 400 Muslims and the term of training was three to four months. Another centre was run in a gurdwara at Emnabad in Gujranwala district specially for espionage and 'black propaganda'. Similar centres were run at Rahim Yar Khan near the Rajasthan border, Attock Fort, Daud Fort and Sheikhpura city. Training was also imparted to extremists in the military college at Abbotabad in batches of 200 to 300.

Trainees in these camps were smugglers, proclaimed offenders and other anti-social elements operating on the borders. They were recruited by Pakistani intelligence, with the help of influential persons living in the border districts of Punjab and Rajasthan by offering these persons substantial financial help.

After the completion of training, which included use of sophisticated weapons and ammunition and running a 'hate campaign against India', these terrorists were smuggled into Punjab from various points in Jammu and Rajasthan for carrying out operations. These points included Hira Nagar in Kathua district in Jammu, Bassaobarwan sector in Gurdaspur district, Khem Karan and Dull posts in Amritsar and Rajasthan respectively. "Arms and ammunition were also being smuggled into Pakistan-occupied Kashmir (POK) from various points of Punjab and Rajasthan for use in Jammu and Kashmir for sabotage purposes", wrote an Indian newspaper.²⁶

Nonetheless, it has been officially admitted that Chauhan

26. *The Daily*, Bombay, June 26, 1984.

had links with various organisations in the US and Dhillon too has been proclaiming that the Sikhs are a 'separate nation' and maintaining liaison with US senators, and persons in the higher echelons of the Pakistani administration.²⁷ In this connection, a startling fact which has come to light is that Chauhan has contacts with the Heritage Foundation of Washington—which is a CIA outfit — though official circles have not identified this foundation in these terms.

CIA director William Casey did not mince words when he said that the CIA's 'main target' in the next few years would be developing countries and it would support 'US friends' in these countries. Seen in this background, India is an 'unfriendly' country where the US is supporting its 'friends' among whom are the Sikh secessionists. In collusion with Pakistan, the US has launched an all-out attack on India's unity and integrity. The CIA has found right contacts among a small section of the Sikhs both in India and abroad. China too is a party to this game, though at present it is maintaining a low profile.

These anti-India activities, rampant both in Jammu and Kashmir and Punjab, show how American policy makers are using religious fundamentalism to back both morally and materially secessionist forces in India. In this, they get help from Pakistan.

Though religious fundamentalism has emerged as one of the main instruments of American policy makers to subvert India, they had started their dirty game of dismemberment of India long before this trend. In fact, this process started soon after India's independence.

When the Nizam and his clique, in their efforts to separate Hyderabad from India, sought Security Council intervention, they received prompt support from the United States. American delegate Jessup voted to take up the Nizam's complaint and, when the police action was launched, condemned India for its 'resort to force'. The American press was almost unanimous in attacking India. After the police action, it was learnt that the Nizam's government had employed three former American army pilots, including Colonel John Monte Cobb of Connecti-

cut, and had directed them to purchase 40 Thunderbolts and five DC-3s.²⁸ The Nizam had also sent large sums of money to an American public relations firm to obtain support in the United States.

In March 1950, Mir Laik Ali, a former prime minister of Hyderabad, escaped to Pakistan. An American engineer-businessman, B.C. Meyers, was accused of aiding the escape.

It seems probable that the quick defeat of the Nizam's forces prevented more serious incidents involving the United States.²⁹

Intrigues in Northeast India

India's Northeastern region became the cockpit of international intrigues soon after India won political independence. In fact, in the face of the rising tide of national movement, the imperialist rulers planned to use the tribal masses of Northeast India against the national movement and convert these tribal-inhabited areas into a new bastion of imperialism. It was with this end in view that they conceived the idea of a 'crown colony' or what has now come to be known as the notorious Coupland Plan. Through this plan the imperialist rulers wanted to keep the tribal areas of Northeast India, along with the adjacent areas of Burma, under their control. If that plan had succeeded, these areas might have been used as a kind of springboard against India.³⁰

Later, the CIA conceived what has come to be known as the 'Brahmputra Plan'. The USIS-India, New Delhi, sent to USIS-India, Calcutta, a document marked "Operations memorandum for limited official use". This operation was to be organised on behalf of the "Special Operation Research Office" of George Washington University, by the whole personnel of USIS, of the American libraries, the USAID and the Peace Corps

28. *Chicago Daily Tribune*, October 15, 1948.

29. L. Natarajan, *American Shadow Over India*, Bombay, 1952, p. 175.

30. H.K. Sareen, *Insurgency in North-East India*, New Delhi, 1980, p. 4.

volunteers working in the states of Assam, West Bengal and Tripura. It is interesting that barely a month after the 'Operation' was to have begun, agitations gripped Assam, riots of unprecedented proportions defaced the tranquil face of Tripura. West Bengal also experienced the secessionist wave of Jharkhand and Uttarakhand for the first time.³¹

To understand why Washington has been paying special attention to this region, one has to remember that this region is literally boxed in by China, Burma and Bangladesh. Its northern frontier from Sankosh river on the West to the entrance point of the mighty Brahmaputra into Assam in the East is guarded by the Assam Himalayas, and the MacMohan Line separates Northeast India from China's Tibet region. The region is bound by Bhutan in the West, Tibet and China in the North and East, Burma in the Southwest and Bangladesh in the South. Thus strategically this region is as important for India's security as Punjab and Jammu and Kashmir on the western borders are.

However, in spite of its strategic importance, only tenuous surface communications links this frontier region with the rest of the country. A railway line does connect the Northeast with the rest of the country, but at one point the right of way runs through the narrow and vulnerable Siliguri corridor, wedged uncomfortably between a piece of territory to the North and Bangladesh on the South. There is only one bridge across the Brahmaputra and a meter-gauge railway links the North and the South banks.

Hostile foreign powers, America and China in particular, are trying to manipulate ethnic contradictions and other divisive factors in their destabilisation game in this region. The rich oil reserves, the money spinning tea gardens, the abundance of jute and large deposits of uranium, coal, limestone and other minerals are a great attraction to the expansionist forces.

Chinese interest in this region is too well known. The fact that Beijing overran the Assam Himalayas in 1962, cannot be dismissed lightly. It is also known that the Chinese have been extending moral and material support to the Naga, Mizo and Meiti Manipuri insurgents by giving them training in guerilla

31. Janardan Thakur, in *Pioneer*, Lucknow, February 6, 1983.

warfare and subversion in centres in Yunan province of mainland China and Lhasa in Tibet.

Pakistan, a close ally of China, has played no mean role in the destabilisation game played by Naga and Mizo insurgents in the Northeast. Till the liberation of Bangladesh, gangs of Naga and Mizo insurgents made regular trips to Dhaka to seek financial and military aid.

With the emergence of an independent and sovereign Bangladesh, the tribal insurgents had suffered a serious setback. The Mizo insurgents evicted by Sheikh Mujib's regime have now been allowed to re-establish their bases in the Chittagong Hill tracts.

The unabated infiltration of Bangladeshi nationals into Assam and Tripura is a double-edged weapon. Through this, Dhaka wants to change the demographic balance both in Bangladesh and in this part of India.

Equally important is the fact that a section of Tripuri tribals has forged links with the Mizo hostiles. It is intriguing that when the talks between the Centre and Mizo rebel leader Laldenga got going in the end of 1984, Tribal National Volunteers (TNV) of Tripura stepped up their violent activities with the cooperation of Mizo National Front (MNF).³²

In this region 'religious factor' has been used from another angle. With a view to sealing off these areas from national awakening and create in them a sense of independent entity, American Christian missionaries were pressed into service. In Nagaland, the American Baptist Mission opened its first branch in the second half of the last century. However, a steep increase in the Christian population of this region took place in the post-independence period and since the sixties in particular. The Christian population of Northeastern states of Assam, Nagaland, Manipur, Tripura and Meghalaya registered an increase of 67.4 per cent during the decade 1961-71. This growth of Christianity in the region is really phenomenal when viewed in the context of the all India percentage variation. Equally significant is the fact that this increase has coincided with the growth in the strength of secessionist forces. Mizoram enjoys

32. Hemendra Narayan, in *Indian Express*, New Delhi, November 15, 1984.

the unique distinction of being the only territory with the largest Christian population — 86.09 per cent. This aspect of the problems of this region needs to be studied in depth without drawing any hasty conclusions. This also is a telling indictment of all secular parties for their failure to organise the tribals and work among them.

It is disconcerting that Christian missionaries, following in the footsteps of Hindu, Muslim and Sikh religious preachers, have become active in the political life of this region. This has to be seen in the context of increasing US reliance upon the church as a political force in the struggle against communism and national liberation movements. This is not a new trend though Washington's reliance on various religions to subvert the national liberation movements and the struggle for economic independence of the newly liberated countries has assumed a new dimension during the last two decades.

As early as May 5, 1948, the general conference of the Methodist Church in America endorsed a worldwide campaign against communism and spent at least 50 million dollars in four years. India was given a prominent place in this programme.³³

A conference of Christian churches in Asia was held in Manila in November 1951. It gave a call to the devout to "reject communism and pray for the liberation of the Red-dominated countries".

In the Northeastern region, a Christian pastor, Rev. Sngi Lyngdon, was primarily instrumental in the installation of a five-party coalition, headed by Darwin Diengdoh Pugh, in Meghalaya in March, 1977. The same gentleman was in the forefront of the agitation of the Meghalaya people against 'outsiders'. Some missionaries in this region have been arrested for gun-running.

Their activities require serious study by Indian Christians regardless of the latter's political opinion. Indian Christian leaders should ensure that their political role is not influenced by American missionaries.

Thailand which is said to be the operational headquarter of

33. *New York Times*, May 6, 1948.

the CIA in Southeast Asia, of late, has started evincing interest in the Northeastern region. Three facts need to be mentioned to illustrate this point:

Firstly, in 1973, a meeting of all the insurgents — Chakmas, Nagas, Mizos and Meiteis, was held in Bangkok to bring about cohesion among them and to coordinate their activities under a common command and to evolve a common strategy. Though this move did not succeed, attempts to bring all insurgents under one command are continuing.³⁴ Secondly, on October 12, 1979, Nimmanahae Mianda, chairman, Thai International Finance and Investment Limited, accompanied by his secretary K. Sivilert, visited Gauhati and Shillong. Instead of meeting officials connected with trade and finance, he met a host of college and university teachers. Thirdly, we have it on the testimony of an erstwhile secret agent, John Smith, that the CIA had extended its activities to the Northeast as early as the fifties and was financing secessionist movements there.

But that was not the end of the story of internal subversion by Washington in all the sensitive areas of our country from the western borders to the Northeastern region. American octopus over India has another important side, perhaps more sinister than these aspects. It relates to the promotion of Hindu revivalism, mainly in the Hindi-speaking belt of our country.

Hindu Revivalism and Washington

RSS ideology is in reality unadulterated fascism. Like the Nazi campaign against the Jews, the RSS rouses hatred against the Muslims and Christians. Like Hitler's rant of 'Herrenvolkism' and his German master race theory, Guru Golwalkar also in his early ideological expositions was unusually frank and outspoken about Hindu uniqueness and superiority. As distinct from legitimate pride — which every people have a right to nurse for their history, tradition, or religion — RSS ideologues seek to rouse Hindu chauvinism with a typical fascist slant. In his *Hamari Rashtriyata*, Guru Golwalkar referred to the 'God

34. H.K. Sareen, *Insurgency in North-East India*, New Delhi, 1984, p. 52.

gifted-culture' of 'great men' coming down from 'eternal times' and underlined that the mission of the RSS was to stand like a lighthouse to ever keep aloft that 'God-gifted culture'. He said:

"India has been the Guru (teacher) of the world and will be so again: the task of the Sangh is to build a new life with this firm self-confidence".

The *Mein Kampf* provided the key to Hitler's thoughts and plans. The *Bunch of Thoughts* compiled from the lectures of Guru Golwalkar provides ideological, political and practical guidelines for the RSS. The Jana Sangh and now the Bharatiya Janata Party — the political wing of the RSS — derive their political and ideological inspiration from the thoughts of Guru Golwalkar, though these thoughts are being couched in a different language now. It is, therefore, pertinent to recapitulate some aspects of the thinking of the Guru to objectively assess its pro-imperialist tendencies right from the beginning. The Guru, for instance, ridiculed the concept of nonalignment in unmistakable terms. He said: "Nowadays, in our country, we hear a lot about 'nonalignment', 'dynamic neutrality' etc. as if they are our life-saving principles".³⁵ He openly advocated that India should line up with the imperialists, saying "Help came from America about whom our leaders rarely said a kind word. Help came from Britain though we had bitterly criticised them over the Suez affair. Help came from West Germany and many other countries. Let us, at least now, have a word of gratitude for them".³⁶ This was his response to Chinese aggression on India.

What was the stand of the RSS chief on Pakistan's aggression on India in 1965? In this connection he said: "However, I feel our army should have been allowed to press forward in its victorious march and capture Lahore, Rawalpindi, Karachi and liberate the whole of Kashmir by the time U. Thant came to Delhi and before agreeing to a ceasefire".³⁷

Many other instances can be quoted to show that the RSS chief had wanted to push India deep into the imperialist camp

35. Guru Golwalkar, *Bunch of Thoughts*, p. 239.

36. *Ibid.*, p. 297.

37. *Ibid.*, p. 304.

and never missed an opportunity to rouse chauvinism whether it was on the question of Tibet or Kashmir.

Sometime before the 1971 general election, the present B,P President Atal Behari Vajpayee visited the US and carried a letter with him from his Guru addressed to the US President. In that letter Guru Golwalkar, according to a report in the RSS mouthpiece *Organiser*, the Guru wrote: "By God's grace the USA is the leader of the free world. Dharma and Adharma are today engaged in a worldwide war. In this war, the USA heads the side of the Dharma". Guru Golwalkar pledged India's support to the USA in the war against the people of Vietnam, Kampuchea and Laos. Surprisingly, the RSS chief took this stand when a popular movement was sweeping America itself against its intervention in the countries of Indochina.

This letter of Guru Golwalkar to American President Johnson did not reflect merely his own views; these views were shared by the entire leadership of the Jana Sangh.

That during its rule, the Janata government had tried to build bridges with Israel and that Moshe Dyan had visited India in a disguise, have their ideological roots. That this trend surfaced when A.B. Vajpayee was the external affairs minister too was not accidental. Soon after the six-day Arab-Israel war, *Organiser* wrote:

"In the unexpected success of Israeli arms I see a faint spark of what Vedic culture can do to the revive and restore us to our rightful place in the world. The origins of Judaism hark back to the essential truths of Vedas and their code of laws and social customs are based largely on the tenets of Hindu dharmashastras".³⁸

Thus according to RSS thesis, there is a close affinity between its interpretation of Hindu religion and Zionism. Therefore, the soft attitude of the RSS and the BJP have leaders towards Israel and their hostility to the Arab cause and to the struggle of the Palestinian people to their right of self-determination, are understandable. Not surprisingly, in this most vital area, the perceptions of American imperialism and Hindu revivalists coincide.

38. *Organiser*, New Delhi, June 18, 1967.

But in keeping with the characteristics of all fascist forces, the RSS and its open platform, the BJP have exhibited a remarkable capacity to shift their positions to hoodwink the people. This aspect is most graphically illustrated by their stand, both on the threat to India's security and the role which Pakistan has begun to play in this region as the launching pad of American imperialism. The advocates of capturing Lahore, Rawalapindi and Karachi and a "solution of the Kashmir issue once for all", now seem to have developed a soft corner for Pakistani military dictators. They have never raised their voice in support of the struggle of the people of Pakistan for restoration of democracy. And whenever Indira Gandhi raised her voice in support of the victims of Pakistani military rule, the RSS and the BJP leaders did not hesitate to describe it as an 'Interference' in the internal affairs of a neighbouring country.

A close study of the various resolutions of the BJP on India's foreign policy throws a flood of light on how the minds of the leaders of this party are working. After the New Delhi NAM Summit, the BJP passed a resolution attacking India's foreign policy. It interpreted the outcome of the Summit as a manifestation of the "desire of the large majority of the nations to keep away from superpower orbits" and *thereof in its essentials articulation of genuine nonalignment*. "The pronouncement of the hope that the movement, during India's three-year term as chairman of the conference, will not be permitted to go off the rails, is a tacit recognition of the aberrations that have crept in the movement". The BJP has also warned that by deriding in public of genuine nonalignment, the Prime Minister (Indira Gandhi) was reducing foreign policy concerns to partisan and party politicking. The BJP noted with deep concern that the NAM had "failed to come up with any initiatives for a solution of the continued presence of Soviet troops in Afghanistan". But it chose to remain quiet on the role of Pakistan and America in backing the Afghan rebels. Again on the situation in Indochina — Vietnam, Kampuchea and Laos — the BJP had nothing to say, though it had bitterly attacked the presence of the Vietnamese forces in Kampuchea and also India's "ill-advised policies on the question of Kampuchean recognition".

In all the policy pronouncements of the BJP, there is not even

an indirect reference to American role in the current international situation, the induction of arms race in this region in particular.

As far as the massive military buildup in Pakistan, both by America and China is concerned, the party has been advising the military rulers of Pakistan that they "must not stay rooted in the prejudices of the past" and "must abjure the established pattern of over-arming and of commenting on India's internal affairs". Really a nice bit of friendly advice from one revivalist force to another. But the real punch of the BJP's foreign policy lies somewhere else.

After urging the government for "an early conclusion of a comprehensive treaty of peace and friendship with Pakistan" and making out a case for "political discussions" with the "Chinese leaders for normalisation of relations", the BJP has been underlining what it calls India's "over-bearing attitude" on Indo-Pak Pact.³⁹

Besides, those who vociferously advocated in the fifties and the sixties that "Tibet should be liberated", "Kashmir question should be settled by liberating the occupied areas" etc., have now decided to take a right-about-turn. What has prompted them to take this stand? Are they not giving moral support to Washington's move to unite the countries of South Asia in a military pact? Has this change not come after American hold on Pakistan has enormously increased and a new equation has developed between Washington and Beijing? The obvious answer is that with emergence of US-Sino-Pak axis, the RSS and the BJP too have changed their tune.

This may sound too simplistic a conclusion. It is a strange irony that BJP President A.B. Vajpayee had said, almost three months before Indira Gandhi was assassinated, at a press meet in Bombay that he did not see any foreign hand in Punjab. And went on to say: "All I see is the indigenous hand, a soft one in glove. . . . If the US agency is behind the trouble why was it not mentioned in the White Paper or the issue taken up during the talks with the US Vice-President George Bush". Washington

39. The Current International Situation: BJP's National Executive Committee resolution, April 14, 1983.

could not find a better and more skillful defender of its nefarious policies in this region than BJP and its leader A.B. Vajpayee.

It is precisely the RSS and the BJP which have opened a new offensive to promote Hindu revivalism. 'Ekatmata Yagna' conducted by the Vishwa Hindu Parishad in the end of 1983, the public controversy over beef tallow issue, an international Hindu conference in New York organised by the Vishwa Hindu Parishad of America in July 1984 — all these were not isolated developments. Their aim was politicalising Hinduism and Hinduising politics. The novel idea of a cross-country parade of Bharatmata's portrait accompanied by a pitcher of Ganga water concealed more than what it revealed.

The main fire of Hindu revivalists in this campaign was directed against Jawaharlal Nehru, Indira Gandhi and the Communists — in that order. This conclusion is justified by the fact that in a document circulated by the RSS-controlled Vishwa Hindu Parishad, it was emphasised that "Nehru, during his heydays, took Hinduism, personified for him in the form of RSS". And it went on to point out that "considering everything, would Mrs Gandhi and her ilk leave Hindus alone to unite and acquire their dignity? In the light of the past experience, the Yagna is the proper time for Hindus to deliberate among themselves and decide their future course of action — both *political and moral*".⁴⁰

This shows that if in the Muslim-dominated countries, Islamic revivalism has become one of the main instruments of American imperialism to reverse the wheels of history in these countries, in India, this ideological weapon is being used with variation. Religious revivalism in India — Muslim, Sikh, Christian on the one hand and Hindu revivalism on the other — has become a very effective ideological weapon of neocolonialism.

40. *The Telegraph*, Calcutta, December 2, 1983.

Conclusion

Indo-US relations have been a subject of frequent analysis since the 1950s. Now once again, the nature, extent and impact of the role of America in South Asia and its relations with India have attracted the attention of social scientists and political leaders. There is no doubt that American intellectuals and negroes were sympathetic to our national movement. It is also true that the United States was a safe haven for a few Indian revolutionaries and that the Gadar Party was founded there. It is also a fact that in our national struggle, Jefferson and Lincoln did influence Indian political thought.

However, Indian leaders and intellectuals like Gandhiji, Jawaharlal Nehru, Rabindranath Tagore, clearly perceived the role of American imperialism. Gandhiji clearly warned in the early forties that American aid "amounts in the end to American influence, if not American rule, added to British...". It will, therefore, be proper to say that Indian leaders were against the substitution of British rule by the American rule. They wanted an independent and sovereign India. After independence, our leaders have naturally addressed themselves to consolidating and strengthening the country's independence and sovereignty.

This attitude of the Indian leaders, both during the freedom struggle and after independence did not agree with the American concept of 'Free World' imperialism. It was inevitable that the new emerging nation-state of India should come again and again in conflict with the American ruling circles, though this conflict has followed a zig-zag path. There have been occasions

in the early fifties and the early sixties when there was a temporary thaw in Indo-US relations. However, if one draws a graph of Indo-American relations, political and economic, one notices a marked downward trend, particularly since the mid-seventies.

This cannot be merely explained in terms of certain 'aberrations' in the evolution of bilateral relations. It has a global dimension and certain socio-economic roots. The course of these relations in nearly last four decades cannot be just explained in terms of divergent foreign policy perceptions of the two countries and merely in terms of their political superstructures.

It is important to take this aspect into account because there is an institutional similarity between the two countries in the sense that both have pluralistic societies. India is not building a socialist society and is engaged at present in liquidating the colonial heritage of socio-economic backwardness within the frame work of 'mixed' economy, notwithstanding the fact that the Indian Constitution is dedicated to building a socialist society.

Perhaps an answer to this dedication can be found from the fact that after the end of the Second World War there have been more than 150 instances of major violent international conflicts and 140 of them took place in the newly liberated countries. In most of these conflicts, Washington was overtly or covertly involved. Carl Oglesby, former president of the Students for a Democratic Society in America, wrote in his book *Containment and Change* that "American Free World imperialism has been fully as damaging and fully as predatory" as other imperialisms were.

Since 1945, the USA has initiated and taken part in most armed conflicts and staged interventions in different parts of the world not only in Latin America, which it considers to be its backyard, but also in the Mediterranean, the Middle East, Africa and Asia. Not long ago in October 1983, the USA invaded Grenada, a tiny island of Caribbeans, violating the UN charter and defying international law and norms of conduct. Shortly afterwards, the USA took vigorous steps for large-scale invasion of Lebanon in collaboration with Israel. And now it is engaged in destabilising Afghanistan, of course, through Pakistan.

The countries that have liberated themselves from colonial and semi-colonial dependence have become one of the most important factors both inside the United Nations and outside. They are not only resisting the pressures of imperialism but are engaged in defending and strengthening their political and economic independence, in spite of the fact that ruling circles in some of these countries have become tools of subversion.

In today's international arena, India has become one of the key factors. There are many reasons for this.

The size of the country and its population do matter in this context. It is well to remember that every seventh person on our planet is an Indian. The geopolitical location of our country too has placed it in an enviable position. These in themselves are very important factors and therefore have a direct bearing, both on our relations with other countries and our role in international politics. But that alone does not explain the whole situation.

Many experts on Indo-US relations, both Indian and American, draw lop-sided conclusions by basing themselves on these factors alone. Some of them have argued that "in the international hierarchy of power the United States is an undisputed global power while India is a regional power but still uncertain of its status because the guardians of the international system have not really recognised it. Theoretically as well as empirically speaking, the interests of a global power and those of a regional power need not necessarily clash, but in the case of the United States and India they do, making the relationship one of suspicion and distrust". Thus they trace growing Indo-American contradictions to subjective factors and not to objective reality.

There are other scholars who are feeling 'frustrated' because "America seems so important to Indians: American politics, science, business, technology and law have set many precedents for Indians...many educated Indians visit America or Indians have their own families living there. America is a daily presence to the educated elites in India, whether for better or worse". They think that Indo-American tension is due to lack of adequate information about India to an average American. This again is a purely subjective estimate and is divorced from

the social reality in India and America.

If an average American knows India as "some place exotic, as a source of tea, spices and mysticism", it is also true that the Indian elites do not know that "America is a rich man's heaven and a poor man's hell" — a pronouncement made by the Poor People's Campaign Committee in front of the Lincoln Memorial in the middle of 1984. This is no exaggeration, if one looks at the figures of unemployed in America and those who suffer from malnutrition. Again one in every ten Americans is a negro. Late President Kennedy himself admitted: "The negro baby born in America—regardless of the section or state in which he is born—has about one-half as much chance of completing high school as a white baby born in the same place on the same day; one-third as much chance of completing college education; one-third as much chance of becoming a professional man; twice as much chance of becoming unemployed; about one-seventh as much chance of earning ten thousand dollars a year..."

However, this analysis based on lack of understanding of reality obtaining in the two countries does not take us too far in Washington's policy towards India, which started unfolding itself as early as 1945.

The growth of Indian nationalism since 1857, when the First War of Independence was fought, would require a separate study. Nevertheless anti-imperialism has been the sheet-anchor of our national movement and the various phases through which it passed left its permanent mark on the movement and opened the way to a new phase. It will not be incorrect to say that the various waves of mass struggles and movements which were launched since the beginning of the present century, till India wrested political power from British imperialism, gave a new content to anti-imperialism and threw up new forms of these struggles. If Gandhiji awakened the 'dump millions' in this anti-imperialist struggle, Jawaharlal Nehru gave a new content to it. To say this does not mean that one should fully subscribe to Gandhism. This also does not mean that one should minimise the role of other political streams, the anti-imperialist left nationalists and communists in particular.

In the post-independence periods, when the Congress faced the most critical responsibilities of leading India, Jawaharlal

Nehru and after him Indira Gandhi elevated this struggle to a higher level and that too in a difficult and complex situation. Thus historically speaking anti-imperialism has become a part of Indian national consciousness. Pro-imperialist political positions have been and continue to be a stigma. Anti-imperialism runs in the veins of the Indian people and almost spontaneously their hearts beat with those who fight imperialism.

Since the latter half of the seventies and especially during recent years, after the Republican administration assumed power in the USA, Washington's foreign policy has been increasingly geared to expanding its sphere of domination and influence in world affairs.

Though this trend in America's foreign policy started surfacing in the First World War itself, its hegemonistic aspirations manifested dramatically after the Second World War — a fact which the incisive mind of the Indian leaders clearly noticed. The "polite and ineffectual attempts of American administration to persuade the British government to include Indian independence among the war aims" was not missed by the Indian leaders. The Second World War saw America emerging greatly strengthened, politically and economically. It, therefore, became confident that it could cut to size other industrial powers of the West and simultaneously take control of their colonial empires. All of the foreign policy pronouncements and military as well as the political doctrines proclaimed and pursued by successive US administrations after the war have been essentially directed to establish American's leadership over the world. Since the socialist countries, the Soviet Union specially, and the newly liberated countries are the chief obstacles in the way of these designs, US foreign policy necessarily acquired an anti-communist and anti-Soviet complexion and simultaneously addressed itself to reverse the wheels of history in countries like India.

However, US rulers realise that direct military presence is not as simple to maintain as might appear at first sight. Internally it evokes opposition among the common American people as it happened in the case of intervention in Vietnam. Were the American commercial interests in that very poor, very backward part of the world so substantial to have justified such a

dangerous and prolonged war? This war was costing America more than 20 billion dollars a year. These were some of the questions which were openly asked even by conservative circles in America during the naked aggression in Vietnam. The Pentagon must have drawn appropriate lessons from this.

Also, military presence in other countries can often trigger anti-American sentiments. States where the US had planned to register direct military presence failed to exhibit the degree of enthusiasm Washington had expected from them. The *US News and World Report* has noted, for example, that except for Israel no Arab country was willing to have permanent American military presence on their soil.

It is clear that since the early eighties, the Pentagon has evolved a three dimensional strategy for the developing countries which are resisting its pressures — economic, political and military. This strategy has three main constituents. They are:

a) Organise terrorist gangs to subvert domestic administration. The American journal *Naval Institute Proceedings* regards them as the ideal means in the struggle against popular force. According to western press reports, training of these terrorist gangs is being updated to include urban warfare and use of modern military hardware. The most important aspect of this training is to carry out what is called 'preventive treatment', that is, removing political leaders opposed to American policies from key positions. What has been happening in India and Afghanistan in recent years should leave no one in doubt that there is substantial truth in these reports.

b) Create and aggravate tensions in various parts of the world and thus create objective conditions to justify the presence of American military. The way the Rapid Deployment Force has been widening its net, needs to be seen in this context.

c) Arm to the teeth those countries which are willing to play the American game. Pakistan is an ideal example.

All these three facets of Pentagon's strategy are in operation in India. One has to see this reality dispassionately and with an open mind.

This brings us to the next question: Why have India and its leaders earned the wrath of American imperialists?

The rise of India as an influential force in international arena

is indissolubly linked with the foreign policy course it has been following. The shaping of India's foreign policy and the basic principles guiding it in world affairs are directly traceable to the anti-imperialist traditions of its national liberation movement spearheaded by Gandhiji and Jawaharlal Nehru. Adherence to the cause of peace, the struggle to ensure equality both in political and in economic relations, intolerance of manifestations of neocolonialism, racism and apartheid — these are the main postulates of India's foreign policy.

After independence, India became one of the founders of the nonaligned movement which has now become a very important factor in international politics. Since the beginning of the movement, India has been playing a leading role in it. The five principles of peaceful coexistence — mutual respect for territorial integrity and sovereignty, non-aggression, non-interference in each other's home affairs, equality and mutual benefit and peaceful coexistence — have been the guiding force behind India's foreign policy.

At the seventh conference of the heads of state and government of the nonaligned countries in New Delhi in March 1983, India has been elected its chairman. The movement now includes about 100 states, and nearly two-thirds of the world population.

The New Delhi NAM was held in the complex scenario characterised by the interference of the imperialist powers in the internal affairs of nonaligned states and in their relations with one another. Within the movement, certain countries aligned with American imperialism were trying to disrupt it.

However, India, led by Indira Gandhi and supported by a majority of nonaligned states, strengthened its anti-imperialist character. The New Delhi NAM placed the main emphasis on the cardinal problems of world development, questions of removing the threat of a world thermonuclear war and ensuring universal peace and security of the peoples. The Summit not only reiterated the urgency for a new international economic order but also worked out a concrete line of action for building a new international economic order.

The resolutions, adopted by the Delhi Summit reflected the burning desires of the participants for unity, loyalty to the fun-

damental principles of the struggle against war and aggression, against arms race, nuclear arms race in particular, and their understanding of the close link between disarmament and economic, political and social development of the nonaligned countries.

India has never relented in its struggle for the translation of the positive principles of peaceful coexistence into reality. Jawaharlal Nehru called such a policy as "positive, constructive and purposeful". Developing these ideas, Indira Gandhi pointed out that this policy means that in the first instance India does not belong to any military bloc. Secondly, India reserves the right to judge independently all questions and takes measures corresponding to India's own interests and to the interests of universal peace.

In the tense situations gripping the world today, India attaches great importance to the struggle for ending the arms race, for general disarmament, and for averting the threat of thermonuclear war. The problem of peace and security in Asia, and the question of turning the Indian Ocean region, which is the home of the peoples of most of Asia and Africa, into a zone of peace have a special place in India's foreign policy.

The positive orientation of India's foreign policy manifests itself also in the fact that it has taken essentially an anti-imperialist, anti-colonialist and anti-racist stand. India emphatically condemns Israel's expansionist actions against the Arab states, actions encouraged by the USA, and supports the struggle of the Arab people of Palestine for their right to self-determination, including establishment of a national state of their own. It comes out against South Africa's aggression against Angola and supports the people of Namibia in their struggle for independence.

The progressive people of all countries in the world highly appreciate India's well considered approach to international situation and conflicts in different parts of the world. Thus, the recognition given by the Indian government in July 1980, to the lawful government of the People's Republic of Kampuchea not only reflected a realistic assessment of the objective socio-political changes in Indochina, but also contributed to the process of normalisation in that region.

India's stand on the situation around Afghanistan, founded on a sober analysis of the existing state of affairs, also aims at a peaceful political settlement of this problem. India has also submitted concrete proposals for the solution of the crisis in West Asia and the termination of the Iran-Iraq war.

Prime Minister Rajiv Gandhi has taken fresh initiative to defuse the current explosive international situation on the one hand and to normalise relations with the neighbouring countries, with Pakistan and China in particular, on the other. However, the six-nation Summit on nuclear disarmament at New Delhi in January 1985, was Rajiv Gandhi's first major foreign policy initiative after his election with massive popular support. In May 1984, Indira Gandhi joined the Presidents of Argentina, Mexico and Tanzania and the Prime Ministers of Greece and Sweden in an appeal to the five nuclear powers to halt tests, production and deployment of nuclear weapons and their delivery systems. The appeal also included a follow up programme — a continued process of arms reduction leading to general and complete disarmament, accompanied by measures to strengthen the UN system and to ensure the urgently needed transfer of substantial resources from arms race to social and economic development.

Since then militarisation and even nuclearisation of space have become a major threat. Hence, the main emphasis of the six-nation New Delhi Summit was on this issue, and the Declaration issued at the end of the meeting addressed itself not merely to the five nuclear weapon powers but also to the peoples of the world. It urged:

A halt to testing, production and development of nuclear weapons and their delivery systems;

Prohibition of the development, testing, production, deployment and use of all space weapons;

Conclusion, at an early date of a treaty on a nuclear weapons test ban; and

Substantial reduction in nuclear forces leading to the complete elimination of nuclear weapons and the final goal of complete and general disarmament.

In his address to the open session of the Summit on 28 January 1985, Rajiv Gandhi presented his own four-point

programme of nuclear disarmament. He urged the five nuclear weapon states to:

- (a) Take the "credible and reassuring first step" of freezing further production and deployment of nuclear weapons;
- (b) Embark on the physical reduction of stockpiles;
- (c) Ensure that discussion and agreements are more than bilateral and are applied to all possessors of nuclear weapons; and,
- (d) Address themselves to the basic objective of the elimination of all nuclear weapons.

Both the convening of the six-nation Summit and his own four point nuclear disarmament programme are in the tradition set by Jawaharlal Nehru, and Indira Gandhi.

The principled and yet flexible policy of India in relations with its neighbours, which has been reiterated by Rajiv Gandhi, has won wide acclaim from the peace loving nations of the world. However, the normalisation of these relations is being complicated by the interference of external forces, primarily US imperialism, in the domestic affairs of the states of this area. Pakistan has been assigned a decisive role in carrying out US military-strategic plans in Southwest and South Asia. Washington is dedicated to a large scale militarisation of this country, creating a threat both directly to India and to other states. The fanning up of anti-Indian sentiments in Pakistan has currently reached a high level. The deterioration of the situation in South Asia also stems from the intrigues of US imperialism in Sri Lanka. This has created new problems for India's unity and security.

Naturally, India's foreign policy evokes opposition from imperialism. A glaring evidence of this opposition was provided in the speech of President Reagan at the 38th session of the UN General Assembly when he assailed the nonaligned movement, of which India is the chairman. Replying to such statements about India's 'tilt' towards the USSR, just before her assassination, Indira Gandhi pointed out that India seeing eye to eye with the Soviet Union, was not the main point. The fact was that it was the Soviet Union which saw eye to eye with the countries of Asia and Africa and extended support to the movement for independence and the struggle against colonialism.

Relations with the Soviet Union and other socialist countries constitute an integral part of India's foreign policy. Soviet-Indian relations have become a major factor of peace and stability in Asia and the rest of the world. Friendship and widely ranging cooperation between the two countries have stood the test of time. Both countries hold identical views on crucial international problems, such as the maintenance of peace, the removal of the threat of an outbreak of war, the curbing of the arms race, the observance of the principles of peaceful coexistence and the adoption of practical measures to settle armed conflicts and prevent an outbreak of new ones.

In the post-Indira Gandhi period, Rajiv Gandhi is carrying forward this policy. That the New Delhi Declaration of January 1985 has been backed by almost all the nonaligned and socialist countries, clearly confirms that India is continuing to play its rightful role in international affairs even after Indira Gandhi.

This raises another pertinent question: Why have Indo-American contradictions been slowly sharpening? Is it merely due to the 'special relations' which have developed between India and the Soviet Union due to geopolitical reasons? Can this development be seen in isolation from the internal policies India has been following? Have the internal political structures India has evolved after independence, something to do with it?

Though all these questions are inter-related, no student of social science can ignore that American and Indian perceptions towards each other are moulded by the sum total of the external and internal policies of the two countries. There is a dialectical relationship between the internal and external policies of a country.

The external policy of a nation, though primarily concerned with the handling of contradictions between nations, to a significant extent, has historical roots. This is particularly true of a country like America, which more than 150 years ago evolved the famous Monroe Doctrine when imperialist powers were busy dividing the colonies among themselves. President James Knox Polk said on December 2, 1894, that the whole world must be clearly aware of the policy of the United States, namely to prevent the establishment or formation in any part of the Amer-

ican continent of any European colony or European dependency without American consent. Referring to the Monroe Doctrine, President Woodrow Willson went even further propounding in a speech on January 22, 1917, that after mutual agreement all nations should embrace the Monroe Doctrine as applicable to the whole world in the sense that no state should try to extend its political system to another state. Fine words indeed, but contradicting the facts and experience of the last five decades.

In the seventies and the early eighties, American policy makers explicitly declared that Washington shall be the sole judge of the permissibility of social change everywhere, that it confers upon itself (as free world leader) all rights of preemptory intervention in the change process. (Rostow, President Johnson's chief foreign policy advisor in 1961.) Thus America demands that it will only tolerate such 'revolutions' that may help to widen the free world empire.

History, to a large extent, is the record of a nation's political experience vis-a-vis other races and nations, and it is quite natural for statesmen to consider these historical experiences. In no other country is the influence of these factors in greater evidence than in America today, for it has come to believe that it alone can play the leadership role in the world and the entire community of nations should reconstruct their socio-political systems to meet America's needs.

On the other hand, India has passed through an entirely different experience — an experience of fighting foreign rulers and defending its own cultural heritage. India, therefore, evolved its own road to socio-economic transformation after independence and in this process came into conflict with American imperialism repeatedly.

Independent Capitalist Path of Development

It is a fact that India occupies a special place in the capitalist world, being the biggest and the most developed country among the developing countries. It has been struggling to overcome the vestiges of its socio-colonial rule. When the problems of India's

socio-economic transformation are examined from this angle, it is not difficult to see that the advanced capitalist state, headed by the United States, do not permit India to develop its productive forces above a certain limit. The Chinese leaders too have set this task before themselves. A highly industrialised country of India's size with the most modern economic structures, even if these structures are within the capitalist frame, blocks the hegemonistic ambitions of both American and Chinese ruling circles. This brings India again and again into sharp conflict with imperialism and makes Chinese sore about it. And this contradiction between India and imperialism, between a country on the periphery of world capitalism and imperialism, would continue to operate as long as the political dispensation in the country does not reconcile itself to building a *dependent* capitalist economy — a course which the Indian national bourgeoisie is not willing to take. That also explains why Washington has been following and continues to follow a dual policy towards India — a policy of carrot and stick.

Again, all attempts to knock together an alternative to the Congress-I, consisting of rightists, right-of-the-centre, regional and communal forces — from the RSS and the Janata Party — have so far not succeeded because their economic and foreign perceptions are not tenable. A close look at the economic platforms of all these parties, except perhaps of the Janata Party should leave no one in doubt that they want to build a *dependent* economy in India. In foreign policy, all these parties are known for their pro-imperialist bias.

It is, therefore, of great theoretical and practical value to analyse the course of independent path of capitalist development since the success of this course is bound to effect the country's future course and its progress.

However, one thing is certain that no amount of subjective determination, or combination of diverse political forces, including those who have committed themselves to build a 'socialist society' — whether it is 'Gandhian Socialism' or 'Vedic Socialism' or 'Sikh Socialism' — would enable the country to build a real socialist society unless the objective laws operating in the country are such as to facilitate the building of such a society. This slogan will at best remain a propaganda slogan

confined to the realm of aspiration. This means the question of building a socialist society will come on the immediate agenda when either of the following two situations develop in India:

(a) The relations of production conform with the character of the productive forces.

This means as long as India is engaged in liquidating the vestiges of the colonial rule, stepping up industrialisation, modernising its economy and above all expanding internal market by effecting radical land reforms and equitable distribution of wealth within the existing system, the objective situation for building socialism will not arise.

(b) Political power passes into the hands of a broad anti-imperialist front including the national bourgeoisie.

As the balance of political forces exists today and as the main direction of the structural changes taking place in the country are, it will be naive to think that building a real socialist society will come on the immediate agenda.

If one accepts this premise, it becomes clear that in the foreseeable future, the main direction of India's economic policies will be to build a self-reliant economy within the frame of independent capitalist development.

Here one more point needs to be clarified. The term 'independent capitalist development' has been used in a definite context. It has been used to underline that internal resources of India should be harnessed to the optimum level for overcoming economic backwardness without the domination of economy by another country or by external economic agents, and for raising the standard of living of the people. This means that there are various elements which make the economy of a country independent and self-reliant — pattern of its foreign trade, ownership of means of production, technological development, pace of agricultural and industrial development, relationship between internal capital accumulation and external assistance, structure of industrial development, growth of scientific and technological cadres and so on.

Judged by all these and other indicators, one has to admit that India has achieved very significant results by following an independent path of economic development since independence. This is vividly illustrated by self-reliance in foodgrains, growth

of basic industries and infrastructure, number of technical personnel, change in pattern of trade and above all by the commanding heights of the public sector in the economy, notwithstanding the fact that it is being inefficiently run.

Another indication of this policy of independent economic development is the rate at which India's economic relations with the socialist countries, the Soviet Union in particular, have been growing and are getting more and more diversified.

Indian Monopolists

Capitalist development has its own logic and its own laws of development, and chief among them is the concentration of wealth — the rise of monopolists. This aspect has been examined, though in a casual manner. The point under discussion here is that 'independent' path of capitalist development in India has thrown up certain specific features and no social scientist can ignore them.

On the character of Indian monopolists, there are conflicting opinions among social scientists, especially those who use Marxist parameters for their analysis. It is not intended to go into this controversy here. It also goes without saying that Indian monopolists extract maximum profits and are increasing their hold on the economy.

Nonetheless, Indian monopolists have not yet reached a stage of concentration of means of production in which they can embark on the path of enslavement and plunder of other backward but newly liberated countries. Not that some of them have no such ambition in that direction. But the question is, can they do it successfully in the present world conditions? Can that be considered the general tendency of the Indian monopolists?

There is no doubt that a section of the Indian bourgeoisie has been striking deals with the multinationals. This, however, does not mean that some sections of the bourgeoisie have fully and finally gone over to imperialism. There is no empirical evidence to prove this. Economic collaboration cannot be equated with political collaboration, though this in itself is a very important factor. On the other hand, there are clear indications that

the Indian big business wants the political leadership to follow an 'open door' policy but on their own terms. On the other hand, the Indian big business on certain issues is coming into conflict with imperialism such as protectionist policies and refusal to transfer technology. But the crucial point is that the national bourgeoisie as a whole does not want to become subservient to imperialism, both economically and politically. With its expanding economic base and political influence, it is on a stronger wicket today than it was nearly four decades ago.

Again it is of far reaching significance that the national bourgeoisie is vitally interested in the unity of the country and wants that it should grow into one common market. Therefore, it is opposed to any move for the Balkanisation and dismemberment of the country and vast sections of them have come to believe that America is working to disintegrate India.

Conscious pro-imperialist elements, however, are very active and at this stage they are mainly vociferous in the political formations which stand to the right of the Congress-I. This does not mean that they are not operating in other parties.

Nevertheless, the independent path of development pursued by India, which is geopolitically located in a strategic place, comes into direct conflict with American imperialism, aiming to make India *dependent* and if that is not achievable, then dismember it. Maybe both the policies are being pursued simultaneously.

Indian Political Structure

Another distinctive feature of the Indian polity is that this country on the periphery of the world capitalism has not only charted out an independent path of economic development (which, of course, cannot be described as a non-capitalist path), but has given to itself a parliamentary systems of the Westminster type.

To understand its significance it has to be kept in mind that India roughly comprises 40 per cent of the total population of the developing countries of Asia and Africa. This fact has to be seen in the context of the fact that out of the 157 nations in the international system today, more than 60 per cent have popula-

tion less than one million. Therefore, India is not merely one of the four largest nation-states in the world — the other three being China, Soviet Union and the United States, but something more than that. India today is the world's largest democracy. The future of democracy in the world as a whole and particularly in the newly liberated countries to a large degree will be moulded by India's moral influence.

Marxist social scientists describe it as bourgeois-democratic system and therefore point out that without economic equality, this system does not reflect the aspirations of the people. Western scholars and those who draw their inspiration from the West in India too, have their own reservations about this system. They think that it is perpetuating one-party and one-person rule.

However, the most striking feature of the Indian political system is that it is rooted in the masses and is the product of a century of national movement. Though the character and composition of the Congress leadership, both at the highest and the middle rungs, have been changing over the years, the Congress has continued to remain a mass movement and still derives its main strength from the toiling masses. Therefore, the Congress-I is still amenable to mass pressures, specially in a situation where the potentialities of independent capitalist development have not been exhausted.

However, this parliamentary system, notwithstanding the fact that a simple majority system works against smaller parties, has been one of the biggest cementing forces. The nation-state consciousness, which the British colonial rulers were trying to destroy, struck deep roots during the freedom struggle.

There is yet another aspect to it.

Since the state, after political independence, has become one of the most effective instruments of socio-economic transformation, it has created a new feeling of oneness among the people. It has thus raised their national consciousness to a higher level.

What India is witnessing in the mid-eighties is integration of various regions into one national whole. This is in complete contrast to what happened during the British colonial rule when centres of industrial growth were concentrated in some

cities only. Thus, the integration process in India has assumed a new dimension under this political system, though of late regional pressures are growing.

Whatever may be the weaknesses in the existing democratic structure of India, it has to be admitted that it leads to the activation of the masses periodically and thus creates objective conditions for following an independent path of development with renewed vigour. It has always happened in the past and there are no reasons to believe that this process will not continue after the recent elections.

As against this, what has happened in India's neighbourhood? The two countries of South Asia — Pakistan and Bangladesh — are being ruled by authoritarian military regimes. Both these countries are aligned with American imperialism. Both in Pakistan and Bangladesh, important steps for socio-economic transformations aimed at the elimination of the colonial-feudal heritage, received attention only under conditions of political democracy. Revivalist and reactionary policies began to dominate the polity of these countries after military dictatorships seized power.

This means that there is a close relationship between the path of economic development, which a country follows and its political super-structure. Broadly speaking these political structures of the newly liberated countries can be divided into four categories. They are:

- (a) the traditional monarchical regimes,
- (b) military dictatorships and authoritarian-presidential regimes,
- (c) socialist regimes,
- (d) parliamentary regimes.

These four different models coincide with the path of the economic development which these countries have chosen. They are:

- (a) dependent path of economic development,
- (b) non-capitalist path of development,
- (c) independent capitalist path of development,
- (d) socialist path of development.

Though in this study, it is not intended to go into this problem, the countries following non-capitalist and independent

path of development have become special target of attack of American imperialism.

This leads one to another important conclusion. Since, the countries following socialist path of development, non-capitalist path of development and independent path of development have been opposing American war drive, supporting national liberation movements and building political and economic relations with the developed socialist countries, they are consolidating their own independence and sovereignty.

Conversely, the more a country lines up with the forces of war and bellicosity, provides military bases to a foreign power and fails to work for peace, the more rapidly it loses its own freedom and sovereignty. But it does not end here. The logic of this policy is that it leads to the militarisation of the economy of that country and it slowly becomes an ancillary to the military economy of America. This again leads to certain socio-political consequences. With the militarisation of the economy of a developing dependent country, a new elitist class aligned with American imperialism emerges. It becomes the main instrument of neocolonialism in that country, though it appears in various garbs. This is precisely what is happening in Pakistan.

It does bear repetition that India's progressive foreign policy, including its relations with the socialist countries, its independent path of economic development to make the country self-reliant and its parliamentary political system—are the main characteristics of the post-colonial state of India. Whichever way you look at the problem, you will come to one conclusion that all these features of new India, whether you see them in isolation from each other or as an integrated whole, they inevitably bring our ancient nation again and again in clash with American imperialism. And since all these factors have enabled our country to merge as a great power in the world, those who have assigned themselves the role of 'leadership' of the 'free world' want to change our destiny according to their mould. And as long as our nation continues to follow these policies with determination and vigour combined with flexibility, Pentagon's shadow over India would continue to loom large.

No patriotic Indian can afford to ignore this shadow because no less a person than Prof. J. K. Galbraith has warned the American people against the "acquisition of unwarranted influence whether sought or unsought, by the military industrial complex" in his country. According to some scholars the Pentagon is reported to possess more assets than the 65 largest industrial firms in the US. The rise of military power in the US, both in economy and politics, has grave implications for the entire world, particularly for India. The civilian control over the Pentagon is becoming increasingly ineffective. Even the liberal Americans have expressed concern over this new trend. What is happening inside India and around our country needs to be seen in this context. That being the position, the problems of India's unity and security are intertwined and cannot be seen in isolation from the geo-political plans of the Pentagon, whose menacing shadow over our country is getting lengthier day after day.

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V D CHOPRA (b. 1918), M.A. (Economics), taught economics in D.A.V. College, Rawalpindi (now in Pakistan) for three years and resigned from this post to join the national movement. He was actively associated with India's freedom struggle and later with the communist movement in both parts of Punjab for over two decades. He earned two-year jail term for participating in the freedom struggle. Since 1958, he has been working in *Link* weekly newsmagazine and *Patriot* daily in various capacities—from special correspondent to the deputy chairman of the editorial board. He has authored *India and the Socialist World*, which brought him the prestigious Soviet Land Nehru Award in 1984. He has co-authored *Agony of Punjab* and *India's Unity and Security: Challenges*, co-authored and edited *Studies in Indo-Pak Relations* and contributed many thought-provoking articles, papers and specialised works. A widely travelled journalist, he has visited almost every Arab country and many East and West European countries. He is the general secretary of the Indian Centre for Regional Affairs, New Delhi. A well-known political analyst, his special area of interest is Asia, South Asia in particular.

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